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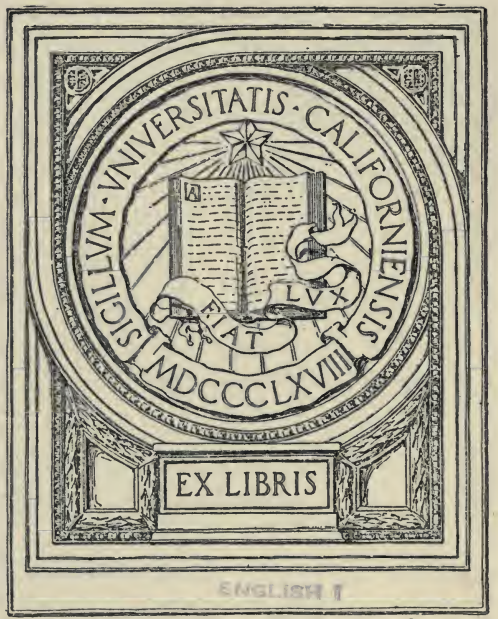
TURNING HIM DOWN

BY

HENRY C. LAWRENCE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Turning Him Down

CREDIT LETTERS
PERTAINING TO
DECLINED ORDERS

THIRD EDITION
Thoroughly Revised

BY
Henry C. Lawrence
Manager of Credits
BLACKWELL-WIELANDY BOOK & STAT'Y CO.
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English
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ENGLISH 1

Dedication

To MR. A. M. BLACKWELL

UNDER whose training the author has been, during the years in which these letters were written, and which embody his policy, suggestions, help and encouragement, this book is respectfully dedicated.

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PREFACE.

It is not the intention of the writer to devote herein any space as to the wisdom of various credit decisions, but rather to suggest a method of expressing them satisfactorily in letters.

In declining an order a credit risk may be disposed of definitely, but is the prospective debtor properly made to understand why he is "turned down?" Is he influenced to send a remittance covering the order?

It is a well-known fact that a multitude of correspondence could be improved upon, if sufficient attention were devoted to the "rough edges," which are prolific of annoyances; and it is with this in mind the author contributes this work, not that the letters will be copied verbatim as form letters, but that they may serve to suggest desirable methods of handling this extremely delicate phase of credit correspondence and outline a definite, systematic procedure.

The letters offered herein, are not theoretical examples, but copies of actual correspondence, written at a time their publication was not contemplated, and employed

in the various transactions which they represent, with very satisfactory results. While quite likely their diction could be improved upon, no changes have been attempted, fearing a revision might impair their value, and subject them to less success than was originally accorded them, as the tendency of theoretical letters is naturally to "talk over the heads" of their recipients.

PREFACE TO THE SECOND EDITION.

The author takes pleasure in making acknowledgment of the great interest displayed by credit managers throughout the country, who, by their generous support, exhausted the first edition of "Turning Him Down" within ten weeks after it was placed on sale; also to thank those of the "craft" who have assisted in the work of revision, with many valuable suggestions, which is deeply appreciated.

Respectfully,
HENRY C. LAWRENCE.

August 30, 1907.

TURNING HIM DOWN

PRICE, $2.00

NEW ACCOUNTS.

CREDIT CORRESPONDENCE.

I.—CREDIT is simply commercial confidence, based upon the apparent stability of a prospective debtor, sufficient to meet our requirements; reliance upon our own previous experience with a given debtor; or that of other creditors to whom we apply for information. There must be a definite, substantial foundation for this trust. Obviously, a certain working capital is indispensable; in fact, it is conceded that there can be no safe credit, if means are inadequate, notwithstanding rare instances prove the contrary. There are, however, other essential requisites, i. e., freedom from secured indebtedness, integrity and character, ability, experience with the business which is being conducted, and last, but far from least, established paying qualities.

Credit letters are necessarily divided into two classes, one of which concedes and the other denies. Be the decision one of concession, or one of denial, the consequential letter should be couched in careful

language, with the utter absence of abruptness; otherwise there might be conveyed improperly, an indifferent regard for the account.

II.—When the credit risk of a new account is favorably determined, a brief acknowledgment, 1, 2, 3, establishes matters pleasantly, unless there has been lengthy delay; and I might add, there should be no tedious delays in the credit department; in preference thereto, we should frankly take up the matter with a prospective customer and explain the cause of our inquiry, seldom offending. If it is apparent that the approval of an order will be tardy, awaiting reports not at hand, 4, 5, 6, 7, 8 will usually prove more satisfactory, than holding it without advice, although some would prefer writing as in 9; if the debtor is reliable, and entitled to credit, he has been written to in such a manner as will encourage him to answer, and our acknowledgment in such instances, 10 or 11, should establish matters on a perfectly cordial basis.

III.—A new account, with a self-knowledge of his financial ability, will send a small order, without information, presuming the creditor should be in a position to know

that he is good. If the order is small, and from the meagre, primary reports, it is apparent that the investment of the prospective debtor is a substantial one, we may decide favorably as in 12; in other words, hazarding a nominal amount in preference to jeopardizing a possibly promising account, and at the same time, preventing a second order until the credit risk may be adjudged.

Definite Declinations.

IV.—In the great majority of new accounts to be declined, however, we have before us definite reasons of what we determine to be an impairment of credit; upon which we base our refusal to grant credit at all, or only up to a certain point or limit. These letters, declining business on open account, and in turn soliciting it upon a cash basis, require careful diction, exact expression, and courtesy, giving detailed reasons for our action; and while dictated to avoid offending, should not weakly convey our decisions. The explanations should be earnest, and full of common sense. When an order cannot be filled upon regular terms, it does not necessarily follow that the business is lost. Tactful letters, embodying subtle suggestion, may secure a remittance,

or security. In this connection it will be noted throughout the letters submitted, that stress is laid upon the fact that in all personal respects the declined one is well spoken of (including the salesman, if the order was sent in by him), basing the decision upon other causes, which are cited; thus conveying the idea that we do not question his intentions in the difficulties which apparently confront him. It will also be noted, that the term "Commercial Agencies" is omitted in the letters herein suggested, as it frequently angers the prospective debtor, when mentioned as having given us unfavorable information. Inasmuch, as it is nine-tenths of the battle, we should try and keep our correspondent in a good humor, and not permit him to drift upon a discussion of his likes and dislikes, but rather try and mould him to understand, that we are not unreasonable in desiring from him satisfactory information, cash or security. It must be borne in mind that the experience of being "turned down" is not a new one with the prospective debtor, not entitled to credit. He has, no doubt, been refused credit previously; hence, compelled to buy on a cash basis, he naturally will deal with the one who offends him least. If he can be told in an adroit manner, of the cor-

rectness of the position assumed, or encouraged into remitting as a method of establishing his credit as a payer, usually he is quite tractable. Should we have made a mistake, inasmuch as we have left the salesman in the "clear," we have not destroyed his usefulness at some future time, when he will have an opportunity of talking matters over satisfactorily, and thus dispose of all feeling, which possibly may have been treasured against the credit department.

V.—In the matter of a salesman's order, we should obtain not a little assistance from our traveler. The relations of a credit department and the salesman should be cordial and reciprocal, working one with the other; it means a high standard of accounts. The salesman should be satisfied thoroughly of the wisdom exercised in each order declined. He should have carbon copies of all letters sent to the declined one; should be appealed to for suggestions, so far as circumstances will permit. Naturally, the salesman is the antithesis of the credit man. The former, in his enthusiasm, pushes his sales to the top notch, without adequate means of discriminating the good from the bad or doubtful; while the latter, equipped with modern reporting systems, permits

sales to rise only so far as is compatible with business prudence. The syncrisis, however, is not discreditable to the salesman.

Limited Capital.

VI.—We will now explain to the new account, with limited capital, why his order is held, 13, and at the same time apprise the salesman of our action, 14 or 15, enclosing a carbon copy of 13 with our letter. In 13 we do not state plainly that we understand his capital is insufficient for credit favors, but rather intimate lack of knowledge on that score; perhaps others would prefer declining as in 16, 17 or 18. It may be argued as ridiculous to require a statement of the small dealer, who, nine times out of ten, little realizes the importance of an absolutely correct showing; in fact, he is seldom competent to make a satisfactory financial explanation of his affairs. Experience, however, has clearly proven that the assumption of the creditor that a satisfactory statement will be forthcoming, commonly causes a "careless" remittance, in preference to making a statement. Usually, the investment with limited capital is frequently changing hands, and in declining the newcomer, who ,it appears, is no better off financially, experience with the prede-

cessor will sometimes permit us to easily explain our decision, as in 19. In the matter of prospective city accounts, with small capital, where we may have an opportunity of talking matters over with them, the simple request of the credit department to call, without specific explanation in the letter, is scarcely as satisfactory as 20.

Heavy Indebtedness.

VII.—Liabilities out of proportion to a given capital, usually, though not always, imply tardy payments, to say nothing of the likelihood of the indebtedness being secured in some manner, whether of record or not. It accordingly behooves us to inquire carefully into the matter, 21 or 22, ascertaining, if possible, whatever details we can from the one reported carrying the indebtedness, 23. When we learn of past-due accounts, it is usually preferable to decline on those grounds.

Past Due Accounts.

VIII.—The slow paying customer will usually respond with remittance to 24 or 25 (see also XXVIII.), and explain the conditions as they are with him, realizing that his credit has become impaired, and, therefore, anxious to rehabilitate his standing.

He will frequently remit, and endeavor to show that he has recovered, especially as we intimate such to be the case. If the contemplated credit is a large one he may rely upon his bank, as suggested; at any rate, the letter referred to has been applied successfully, to a great number of cases, fortunately, seldom offending; and even when it does cause irritation, the debtor is in such shape, no doubt, as to preclude the possibility of any letter being satisfactory. It will be noted in 24 and 25 we have not requested remittance, as we do in 26. A copy of either letter is sent to the salesman, with a request for additional information and references.

Character and Ability.

IX.—As regards character, of course, relying upon such information as comes to us, we cannot successfully take up the matter with the prospective debtor. The same is partially true, to a large extent, regarding ability.

Chattel Mortgages.

X.—Declining an account because of a chattel mortgage, a letter requesting security, rather than remittance, is preferable, especially if the order is a fair-sized one, 27, 28, 29. However, 30 suggests the latter.

XI.—In the matter of city accounts, as in 20, we dispose of it somewhat similarly in 31.

Second Letters.
(First Without Reply.)

XII.—If our first letter declining an account remains unanswered within a reasonable time, we write again, inquiring as to a disposition of the matter (see letter 32); paragraph A, with 32, in the case of limited capital; paragraph B, with 32, for the one with past due accounts; paragraph C with 32, in chattel mortgages; or we may presume, 33, that our first letter miscarried. We may express surprise, 34, in not receiving an answer. It is seldom profitable to write again, if the second letter is unanswered.

Replying to Answers.
(Of Our First Letters.)

XIII.—In the great majority of cases, however, we obtain replies to our first letters, declining the business. Some will cancel; others will remit without any information; a number will remit and give all the details requested, in order to establish credit on future orders; while some will comply with our requirements, but omit remittance.

UNFAVORABLE REPLIES.

Our answers to these letters divide themselves into two classes—those in which we maintain our first decisions, and others, wherein we announce our approval upon second consideration. In the former we may include, in again declining, those with nominal means, 35, 36, 37, 38, 39 or 40. With the account having disproportionate indebtedness, we likewise maintain our first disposition, 41 or 42; and with the one with past due accounts reported against him, 43 or 43A. The hazardous account, with a chattel mortgage, we answer further, as in 44, 45 or 46. In case unsatisfactory security is offered, we again decline, 47, preferring an absolute indemnity. Sometimes the mortgagor will prevail upon the mortgagee to write us speaking well of him, and recommending that we grant him a line of credit. In such an instance, 48 is distinctly in order.

XIV.—Occasionally, we are offered a guarantor, and upon attempting to verify the security, we are compelled to write the pending risk, as in 49.

If we take the precaution of securing an account, naturally we should be careful not to commit any act which might be construed

as releasing the guarantor. For instance, in accepting a partial payment, on account, we explain, 50, our willingness to grant an extension on the balance, but request the consent of the endorser; a copy of our letter should also be sent to the latter. If without prompt reply, we notify the guarantor of our draft on him, and if the paper is returned, without direct advice from him, we may prefer writing as in 51, before resorting to an enforced collection.

XV.—When there is a reasonable doubt in our minds, as to the wisdom of declining an order, we may, in some instances, suggest a division of the risk, as in 52, 53 or 54, such a compromise usually being accepted.

XVI.—When references are sent us, it is desirable to promptly acknowledge their receipt, 55, and later inform as to our decision. Should the references be unsatisfactory, frequently, we will find the matter disposed of before they are received. When banks or attorneys are given as references, to the exclusion of merchandise creditors, we may deem it advisable to write 56.

XVII.—Occasionally we encounter the contentious one, who pretends he did not

receive any advice from us concerning his order; in fact, while highly improbable, it may be that the first letter actually miscarried. We accordingly write as in 57, or more at length in 58, it being necessary to decline, as in the first instance.

XVIII.—Returning to the one who cancels, we write again, 59, 60, 61, or 62, dropping the matter if without reply. We have in mind, however, securing a very satisfactory statement from one who cancelled his order upon receipt of our first request for a statement, later reinstating it in answer to 63; a long letter, 'tis true, but it was the foundation of a plain understanding, and the account has since been an exceptionally good one with us.

XIX.—The dealer with a small investment, or chattel mortage, may be replied along similar lines to 64.

FAVORABLE REPLIES.

XX.—We now come to that correspondence from the customer, which causes us to change our first opinion of the contemplated credit risk; or those which are secured, or remitted for, enabling us to make shipment. The one who remits, without information,

is more or less of a problem. If we write him, when apparently he makes no unfavorable comments, we may not be exercising the best of judgment. He, no doubt, is accustomed to just such transactions, and inasmuch as, apparently, we have not seriously displeased him, why do more than acknowledge receipt of the remittance? It is likely he will accompany his future orders with cash. As for the "tardy" one, who remits, and enters into explanation, as a rule, we may write him as in 65.

XXI.—The one credited with but limited capital may admit the fact, and yet, with a statement of other facts, it is decided to assume the risk, 66 or 67. References may have been given, which, replying satisfactorily, we advise of shipment, 68 or 69. The account with heavy indebtedness likewise explains satisfactorily, and concluding to make shipment, 70 may dispose of the matter.

XXII.—The one with past due accounts reported against him, naturally admits the situation, usually pleading difficulties now passed; present conditions improved; expresses an ability to meet future accounts, and gives references to show these matters are now having proper attention. Not in-

frequently it is claimed that an unfair creditor has placed the account in an attorney's hands, and being one of dispute, is no reflection upon him, nor a criterion of the manner in which he meets his accounts, as in 71, 72 or 73.

XXIII.—Now and then we receive a remittance, with an explanation, which discloses positively that we have been misled. In filling the order, 74 or 75 (see also XLIX), we should endeavor to "square" ourselves, and usually succeed. In these instances prompt inquiries enable us to verify the statements made us, and revised information should be at hand, when a further order is received; consequently, having received payment of the first order, 74 or 75 places us in no position of risk. In such an instance, one who cancels may be induced to change his mind by 76. Then again we have the one who, smarting under an apparent injustice, demands of us the source of damaging information. In refusing to divulge this, few will take exception to 77.

XXIV.—In "letting him down easy," 78, we dispose of the one whom we have reason to believe should send "cash with order;" and usually he will do so, preferring, nine times out of ten, to deal with the one,

who apparently, is endeavoring to dispose of credit obstacles, expecting eventually to buy of him upon open terms, rather than of one who makes a cold demand for remittance, "because you are not entitled to credit."

XXV.—A guarantor of a specific bill, may be influenced into a "blanket" guarantee, covering an account to a certain limit, 79, thereby enabling the filling of other orders (see also 88).

XXVI.—Rare, indeed, is it possible to fill orders for accounts having chattel mortgages, and yet, cases do occur, when it is done successfully, regardless of the declaration, that it is a close analogy to "insuring a burning house." A salesman, in selling such an order, makes exhaustive inquiries, and sometimes their verification and additional information from the prospective debtor himself, enables a short time, limited credit. We have in mind, 80, who has since paid off the mortgage, and is doing very well indeed. We realize, however, that the only safe method grants no credit to any account, absolutely covered by a mortgage.

Inquiry Before Ordering.

XXVII.—An inquiry is sometimes made by a new firm, previous to sending in an order, as to whether or not it will be approved. Usually, such a correspondent is easily induced to give us the necessary information, 81 or 82, if we are unable to obtain data otherwise.

Pleading Urgency.

XXVIII.—An order for specially seasonable goods, received very late, with but a short interval for their sale, naturally requires immediate disposition; an excellent method is to wire, and follow the telegram with a letter, as in 83 (see also 25, 47); there is something in a telegram, to arouse one to immediate action, and usually the remittance is sent before our letter is received. The implication is, that inasmuch as the one to whom the order is sent, scarcely has time to make shipment, that it would be impossible to place it elsewhere, and, rather than chance a disappointment, the remittance is forthcoming, nine times out of ten. Of course, it will be noted that our letter embodies the reasons which caused non-filling of the order on regular terms.

Complaint of Delay.

XXIX.—A new account, complaining of delay, is usually satisfied by a frank explanation of the circumstances, 84, although others might prefer subterfuges, 84A, such as "holding the order to make complete shipment, it being the first order," "unusual press of orders having delayed shipment," or a hundred and one others, although none probably so satisfactory as 84.

DECLINING SECOND ORDERS.

XXX.—The declined one, who "favors" us with another order in a few weeks, or months, as the case may be, we decline as in the first instance, adding, "We wrote you along these same lines, seeking this information last June, but did not hear from you in reply," etc.

XXXI.—We now come to those accounts, with whom we have enjoyed business relations previously; with whose affairs we are more or less familiar.

OLD ACCOUNTS.

The Limited Account.

XXXII.—We will not argue the advisability of an account having been opened upon a limited basis of "moral risk," but rather treat of the disposition of subsequent orders to be declined, because of exceeding a small line of credit, placed thereon when the account was opened. Perhaps, and not at all unlikely, the promise was voluntarily made, of discounting the first bill; in this instance, 85, is not at all undesirable, writing 86 as a second reply if necessary. We may desire to intimate to an account with a larger credit limit, that an order just received, while approved, is the complement of an understood line of credit, 87, incidentally suggesting a remittance on account.

XXXIII.—When the limit of a guarantee has been reached, or has been applied to specific bills, 88, explains the situation (see also 79 and XXV.).

XXXIV.—An implied credit limit is shown in 89, while 90 is more definite.

XXXV.—As for the slow account, we can easily explain the necessity of a credit limit as in 91.

XXXVI.—Explanations in greater detail are undoubtedly necessary in holding the larger account to a certain limit, as in 92, 93, 94, 95 or 96.

XXXVII.—As a rule, the limited account will render a financial showing, which, however, seldom improves the situation; consequently, the first decision is maintained and carefully explained further, 97; or we may be convinced of the wisdom of "a compromise," as in 98, 99 or 100.

Orders From Our Delinquents.

XXXVIII.—Past due accounts show one or more of a number of very important situations; it may be that an unusual expense is consuming the investment; possibly the debtor is a poor collector, and is accumulating bad accounts; perchance is becoming overstocked through reckless buying; or is making disastrous outside investments. Any of these will cause an increase of his past-due indebtedness to his merchandise creditors, and will require looking into very carefully at any time, but especially so when

an additional credit is under consideration, 101. We might approve the order, reminding the delinquent that we expect better attention to maturities, 102 or 103, or by mentioning the past due account in conjunction with the order we imply that it is being held, 104 or 105.

XXXIX.—It is contended, however, and in many cases quite rightfully, that when we have anything to say to a delinquent, paraphrasing Jay Cooke's famous expression, "we should say it;" in this case, for instance, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116 or 117. We might modify these last letters, as in 118, or still further in 119.

XL.—As for the customer already owing us, who sends us an order, and expresses apprehension regarding its being filled, we decline as in 120.

Answering Our Delinquents.

XLI.—Our answers to replies of these letters will naturally depend upon the character of their contents. As a rule, the delinquent will reply to our letter with remittance, for all (a), or in part (b), and request shipment of his order; although not infre-

quently the debtor becomes offended and will either answer tartly and cancel (c), or not at all (d). A few will respond in good feeling, with no remittance, but with more or less reasons, urging the forwarding of the order (e). Thus we have five possible dispositions to make, subsequent to our first letter to delinquents. Naturally, the first (a) having met our views, we make shipment, recommending that better attention be given to maturities in the future. In receiving a fair-sized remittance on account (b) we may conclude to ship, as in 121. In the third instance (c), wherein we have to deal with the querulous one, we may decide to obtain settlement of the account, and close it on our books; or in preference thereto, explain in good temper, and in more detail, along the same lines as our first communication, 122 or 123.

XLII.—If, in response to a first letter, we receive no reply whatever (d), it is usually productive of results to enclose a copy of the original letter, together with a brief note explaining that no reply has been received, and requesting early attention. If neglected further by the debtor, naturally, the matter devolves upon the collection department to collect the outstanding account, the order being filed away.

XLIII.—We are, however, always confronted with the debtor (e) who, while admitting inability to remit on account, expects us to accommodate him further, not alone on his present indebtedness, but also to increase it. Seldom as it may be done, we may be convinced, as in 124 (see also 103), that tardy collections with him are due to ephemerally abnormal conditions and that, in a short time settlement will be forthcoming. Or, adhering to our first decision, we may write, as in 125 (see first letter 116), and have the salesman reinforce it as in 126 (see first letter 116). It is an excellent idea to suggest, as in 127, 128 or 129, a method of getting in better shape, exercising care that settlement is soon at hand, 130.

Previously Unsatisfactory Accounts.

XLIV.—Intimately associated with the delinquent, is the account who owes us nothing, but whose last settlement was accomplished either through attorneys, or, at least, with difficulty. Usually, the attempt to reopen the account is made by sending a small order by mail, a "feeler," as it were, as will be noted in 131, 132, 133, 134 or 135. It may be considered desirable to write more at length, as in 136 or 137. Should we be

influenced to grant a new line of credit to an account, previously slow but once, we may again decline the chronic one, as in 138. Sometimes he makes inquiry directly or indirectly, as to his present credit standing with the one whose account was cared for unsatisfactorily, 139.

Permanently Closing the Hazardous Account.

XLV.—An account will sometimes lapse, and after an interval, send us an order. Our previous relations may have been entirely satisfactory, but late information indicates the fact that he has since fallen behind, as in 140.

Re-establishing Closed Accounts.

XLVI.—In reopening a previously unsatisfactory account, if the debtor is written to properly, 141, it will assist materially in having it progress satisfactorily.

Declining Orders Ready for Shipment.

XLVII.—Rarely, we approve an order upon first reports, which are satisfactory, which later reports do not substantiate, requiring 142, and if subjected to criticism, 143, may satisfactorily explain our position (see also 25).

As to Impossible Concessions.

XLVIII.—Occasionally we encounter that merchant who demands of us some special concession, which we conclude not to allow; for instance, 144. Should cancellation follow, 145 may influence reinstatement of the order; at least, we have sensibly maintained our decisions. As to the one who becomes "uneasy" regarding the anticipated outcome of a season, after shipment of his order, and hints that he will accept the goods, but will require an understanding, that he is to have the privilege of returning the unsold portion, we write as in 146.

Regaining An Account.

XLIX.—Infrequent as it is, we are sometimes confronted with a situation arising from being misled by credit information. Occasionally, an account thus lost, offers an opportunity of writing him as in 147. If the man is a sensible business man, we are often enabled to make a fresh start (see also XXIII). Undoubtedly, there are many other situations which may arise in the dispositions of orders sent us, but in the main, the foregoing examples, in a broad sense, cover them.

1.

Your order given our Mr....., on the ..... inst. goes forward today, having had our immediate attention. We thank you for the business, and hope you will favor us further with your mail orders between his regular trips.

You will always find our care and promptness in filling your orders very desirable—in fact, we will endeavor to have our service at all times indicate to you—"This is the place." Please let us hear from you again.

Very truly yours,

2.

You will please accept our thanks for your handsome order given our Mr. ....., which is having our best attention and will go forward at once.

Your selection seems a very desirable one throughout the bill, and we know you will do well with it. During the next two or three months you will order "hurry up" items for your holiday trade, and we want you to bear us in mind and use our catalogue. Any orders you may send us, as suggested, will go forward the day received. We have a system that recognizes the importance of quick delivery during the holiday season, etc.

3.

Your first order is at hand, for which we thank you; it will have our immediate attention and go forward in accordance with shipping instruc-

tions. We know now that a beginning has been made, that our relations will be not only agreeable, but permanent; and as our transactions grow in number and volume, our acquaintance will ripen into mutual esteem and regard.

With this end in view, we will spare no effort to give satisfaction at all times, and hoping we shall frequently have the privilege of serving you, we are,

4.

We have your order of the ..... inst., which will amount to $....., and while we have written the references you gave us, there will be some delay before we hear from them.

As the amount is small, it will probably be more satisfactory to you to let us have remittance on this opening order, less our cash discount of 2 per cent, so that we can make prompt delivery; the time is very short and we fear if we do not forward the order at once, it will not arrive in time for the holiday season.

You will, no doubt, approve of our suggestion, and awaiting your early reply, we are, with kind regards,

5.

Acknowledging receipt of your order of the ..... inst., which is having attention, would appreciate hearing from you in the meantime, briefly, on enclosed form. Authorities usually consulted in such matters are unable to assist us, probably because you have been in business but a short time.

Your order should go forward at once, however; consequently with this in mind, we are

frankly writing you, and do not want you to construe our letter as declining the business.

Should you find it inconvenient to make up statement tomorrow when you receive this, you may prefer sending us remittance, less our cash discount of 2 per cent, writing us later, with reference to establishing the account upon regular terms.

Please let us hear from you so we may forward order promptly.

6.

We thank you for your order of the ..... inst., which is having attention, but before shipping would prefer hearing from you with a brief statement of your present condition, on enclosed blank. This is our first transaction together, and as the class of goods you order are necessarily needed at once, we came to the conclusion that it would serve our mutual interests better to take up the matter frankly with you, and make this enquiry direct, in preference to seeking it in other channels, which means more or less delay. No doubt, when we have heard from you, the matter will be easily disposed of, but, of course, must have something upon which to open the account upon regular terms, and at present we are without this.

Appreciating your early reply,

7.

....., etc. We are unable to obtain any information which would enable us to make shipment on regular terms, and deemed it better to take the matter up frankly with you and enquire for

references of those with whom you have been dealing; also the amount of your investment and indebtedness.

We are confident you will accept our letter in the business spirit which prompts it, as, of course, it is necessary to have information upon which to open an account upon regular terms. We do not want to be understood as declining this business, but rather seeking data upon which to approve it.

Should you prefer, it will avoid delay on this opening order if you let us have remittance, less our cash discount of 2 per cent, etc.

8.

We beg to thank you for your mail order of ....., which is in process of packing. As this is our first transaction, we would appreciate it very much if you would kindly let us have a brief statement of your affairs, together with the names of some of your creditors, and such other information as may enable us to intelligently dispose of the matter under consideration. We might add, we endeavored to obtain this without taking the matter up with you, but being unable to do so, and the time being short, are writing in order to save further delay.

Should you prefer, kindly deduct..... per cent cash discount, and send us your remittance, and the order will go forward immediately, etc.

9.

Your order given to our Mr. ..... has been forwarded to us by that gentleman, but before we can fill and ship it, we will thank you to

give us such reference as may enable us to better determine the advisability of opening an account with you on regular terms.

We believe it better for all concerned to have a thorough understanding regarding such matters, to the end that when a start is made, there will be less likelihood of a misunderstanding later on. The bill amounts to about $....., and if you prefer to send us draft for that amount, we will be pleased to get the goods out and ship without delay, giving you credit for the usual discount of 2 per cent, etc.

10.

We have your favor of the 23d inst., and thank you for the statement and information you offer us; we are approving the order and it will go forward at once, which all goes to verify our convictions that it is better to take these matters up with each other in a frank and business-like manner, affording, as it does, clear, mutual understandings.

We are gratified that you accepted our enquiry so courteously, and soliciting your further esteemed orders, we are, with kind regards,

11.

We beg to thank you for your remittance of the ..... inst., amounting to $....., which has been duly passed to your credit, and your order will go forward at once.

We are pleased to note that after all we have been friends without knowing it. We assure you that we shall use every effort to please you, and trust that you will send us your further

orders, which will be appreciated. We have written our Mr. ....., informing him that you have just opened up for business and know he will be gratified to learn of it.

Wishing you every success, and hoping to hear from you frequently, we are,

12.

We have duly approved your mail order, for which please accept our thanks.

Yours being a new account with us, we have forwarded the goods rather than disappoint you, but would appreciate a brief statement of your affairs, and such other information as you might feel we are entitled to, under the circumstances. We believe frankness the better policy in such matters, and inasmuch as we could not obtain information on file through the usual channels, we are writing you direct, in preference to seeking it further. We know our letter will not be misunderstood, as, of course, in a business like ours, not being personally acquainted with our new friends, it is essential that we have such information and facts, as will enable us to intelligently place the account upon regular terms, etc.

13.

We have your order, given our Mr. ....., amounting to about $....., which is having attention, and will go forward promptly when we hear from you.

Authorities usually consulted in such matters speak of you very highly in a personal way, as does our Mr. ....., but we would appreciate hearing from you as to the extent of your assets

and liabilities, with such other information as will enable us to dispose of the matter of credit involved. It is more satisfactory to deal between ourselves, frankness in such matters always being better; in other words, have our misunderstanding at the beginning, and once adjusted, will not come up in our future dealings.

We trust that our letter will be accepted in the spirit in which it is written, and that we will hear from you in the next day or two. Should you prefer, kindly let us have remittance for the amount of the order, less our usual cash discount of 2 per cent, and the delay attendant upon your opening order will thus be reduced.

We enclose statement blank, and assuring you of our kind regards, we remain,

14.

We are enclosing herein copy of letter to Mr. ....., of ....., which explains itself. The Agency reports and other information regarding this gentleman's financial condition indicate that he has very little capital, and unless he can make a satisfactory statement, we would not be willing to ship him the amount of goods covered by your order of the ..... inst. You can write him as you think best, but it might be well for you to suggest that he make us a statement, as we have requested, and also that he send us references. Get up a letter of some sort to him in keeping with your friendship for him, and send us a copy.

15.

We have your order from Mr. ....., of ..... amounting to $..... Such reports as we have

been able to get on him mention that he has very limited capital, heavy indebtedness, and state he is slow with other people. We wrote to Messrs. ....., who write us they had sold him on a ten day basis and preferred to keep him that way. ..... speak very well of him in a personal way as a moral risk, but seem to think that his credit should be limited.

Before writing him or doing anything in the matter, we thought it best to let the matter rest in abeyance until we hear from you, with such further information you can give us. However, we do not believe he is entitled to the sized bill he has bought, but we may think differently when you write us.

16.

....., etc. We have carefully considered the shipment of this order, but unless there is some mistake in such information as we have been able to obtain, it would appear that your capital is scarcely large enough to warrant us forwarding these goods on our regular terms. In a personal way, you are spoken of very highly, and on the score of your intentions we are perfectly satisfied; but it is essential, in such instances, that there be a certain amount of one's own resources to take care of maturing accounts; in other words, it is not so much will a customer pay an account, as can he do so.

As we said before, it is not at all improbable the information we have is incorrect, and, accordingly, enclose herewith statement blank, which please fill in and forward to us, together with the names of several firms with whom you have had business dealings.

Should you prefer, kindly deduct 2 per cent cash discount, and include remittance with your reply, which, of course, will obviate further delay, etc.

17.

....., etc. From such information as we have been able to obtain, while all speaking very highly of you in a personal way, it does not appear that you are employing an amount of capital, which would justify us in filling this order. We have not undertaken to verify it, preferring to hear from you direct, believing frankness to be the better policy in such cases.

Should you prefer, it will avoid delay if you let us have remittance, less our cash discount of 2 per cent, and the order will then go forward promptly. However, awaiting your disposition, we are, etc.

18.

Your order given to our Mr. ....., on the 29th ult., was duly forwarded to us by him, but before we can fill and ship this order, we should be glad to have you give us such reference as will enable us to better determine your ability to meet this account when due. Inquiries which we have made in reference to you all speak in the most favorable terms as to your integrity, but do not give you credit for the employment of much capital in your business.

The bill amounts to about $....., and if you will forward us that amount, we will get the goods out and ship at once, giving you, of course, credit for a cash discount; or, if you prefer doing so, you may send a less amount and we will sort goods up from your order to cover what-

ever you send check for. We believe it is better to have a thorough understanding before opening business relations, to the end that if we once get started doing business together, we will have no misunderstanding in the future.

Awaiting your early reply,

19.

The order given our Mr. ..... a few days ago has been duly received, but before we can fill and ship, we will ask you for such reference as will enable us to better determine the advisability of opening an account with you on our regular terms. We were a little unfortunate in the case of your predecessor, Mr. ....., he owing us an account of $..... when you bought him out, which we have never been able to collect. While well spoken of in a personal way, you are not accredited with the employment of a great deal of capital, and inasmuch as Mr. ..... was unsuccessful, we feel that it is possible you may have some difficulty in making a success of the venture.

This bill will amount to about $..... If you prefer, you may send us check for this amount, less 2 per cent cash discount, and we will get the goods out and ship without further delay, etc.

20.

We have your order, through our Mr. ....., which is having attention, but before giving any positive decision in the matter, would prefer that you call and see our Credit Department.

It would appear that your capital is quite limited, and while we understand you have a line

of credit equal to this order with another house, it is on shorter time, and from such information we now have, would prefer not making delivery on 30 day terms. However, if you drop in and see us, we might suggest some arrangement satisfactory to both of us.

In the meantime, we remain.

21.

We beg to thank you for your order, through our Mr. ....., amounting to about ....., which is being prepared for shipment.

We learn, from authorities usually consulted in such matters, however, that you are quite heavily indebted to your predecessor, and while we have no doubt we shall be perfectly satisfied to make shipment on our regular terms, when we have heard from you in the next few days, would appreciate a brief statement of your affairs, as to whether this indebtedness is secured in any way by your stock. We make this inquiry, as it is stated, that while you have large assets, your liabilities are also heavy, and are naturally interested in hearing from you. In fact, in matters of this kind, we always believe it better for both of us, that the account be begun under a clear understanding, etc.

22.

With reference to your order given our Mr. ....., for shipment ....., would say we understand that there is an indebtedness on your stock of something like $4,000.00, and in matters of this kind we always believe in frankly enquiring of our customers, the character or a large

indebtedness and the circumstances necessitating its being placed, and with whom. Of course, in the hands of one interested in your success, in all probability it will not cause you any embarrassment, and it is possible when we hear from you, your explanation will be entirely satisfactory. Our Mr. ....., at the time he sent in the order, spoke of you very highly, and on that score we are perfectly satisfied," etc., followed by request for remittance.

23.

Our salesman has recently taken an order from Mr. ....., of ....., amounting to about $.....

All authorities consulted, as well as our salesman, Mr. ....., speak in the highest terms of Mr. ..... in a personal way, and that, apparently, his business is in a prosperous condition, but mention that the young man is quite heavily indebted to you. We, therefore, inquire to what extent this is true, and if you consider his indebtedness such as would likely embarrass him. You will readily understand the importance of this information to us.

24.

We have your very fine order, given our Mr. ....., which will amount to about $.....

Before shipping, however, we would appreciate a statement from you showing assets and liabilities, and whether any of the latter are past due. We understand that last spring and summer, some of your accounts found their way into the hands of collectors, and while it does sometimes happen that one cannot do all he

desires when his accounts mature, the experience of others, naturally is a guide in the matter of a contemplated credit. Probably when we hear from you with explanation and statement, it will be perfectly satisfactory with us to approve this order. You doubtless have property, with which you could indemnify an endorser, or anyone who would guarantee the payment of the account, in a manner satisfactory to us. If you could have your bank guarantee this shipment, or could get sufficient accommodation from them to discount, it would probably be the more simple disposition of the matter.

Please let us hear from you as to your preference to any of our suggestions in this letter.

We are with kind regards,

25.

Confirming our telegram of today, as follows: "Have bank guarantee order, amount, one fifty; letter follows," would say we wired you in view of the lateness of the season and a fear that if shipment was delayed it might not be able to reach you in time for the holidays.

We had this order all packed and in our shipping room for forwarding, when we received information to the effect that there were outstanding claims against you which were not being taken care of, and, naturally, under the circumstances, desire to hear from you, as they have a direct bearing on our opening an account with you on regular terms.

The time is so very short for coming to an understanding on the matter, that it occurred to us, if you would have your bank guarantee payment of the bill we would ship on our regular terms, and it would give us more time to

hear from you in explanation. We hope that you have done this by the time our letter arrives.

Thanking you in advance,

26.

We have your order given our Mr. ....., amounting to about $....., which is having attention and will go forward promptly when we hear from you.

Authorities usually consulted in such matters, while speaking of you very highly in a personal way, make mention of past due accounts against you, and while conditions sometimes arise which prevent prompt protection of maturing accounts, one must be guided, to some extent, in such matters, by the experience of others. A temporary embarrassment as regards meeting one's accounts, does not necessarily indicate a permanent like condition—at the same time we have always felt the desirability of having frank, mutual understandings in such instances. Under the circumstances, would prefer hearing from you with such information as will enable us to intelligently pass upon the matter, and when you write us your explanation will, no doubt, be entirely satisfactory.

Should you prefer, you might let us have remittance for the amount of the order, less our usual cash discount of 2 per cent, and the delay attendant upon your opening order would thus be reduced.

27.

We are in receipt, etc., which is being prepared for shipment in order that there might be no delay, but before we let the goods go forward,

would request that you secure this account for us. From all authorities consulted, it would appear that you could not be more highly regarded in a personal way, but in view of the recent chattel mortgage you placed, amounting to $3,000.00, we would hardly feel warranted in shipping you a bill of this size on our regular terms.

If you will secure the order, we will give you every necessary accommodation within reason. We do not object to taking what might be called a fair commercial risk, but your success under the present conditions remains yet to be demonstrated, and the chattel mortgage, as you must realize, operates as a menace to all unprotected creditors. We might add that the old firm, which was not burdened with the debt now assumed, was reported not always prompt in its settlements, etc.

28.

....., etc. Before we can fill and ship this order, we shall have to ask you for such further reference as will better enable us to determine the advisability of opening an account with you on our regular terms, which are .....

Authorities usually consulted in such matters speak well of you in a personal way, but mention that you have a chattel mortgage on your stock. While this is not, in all instances, necessarily an impairment of credit, yet it stands as a menace to creditors who are not protected. We believe it best for all concerned that an understanding be had regarding such matters, before opening business relations, to the end that no disagreement may occur later on. Should you prefer, no doubt your banker, being per-

fectly familiar with your affairs, would take pleasure in guaranteeing the account for you.

Awaiting the favor of your early reply, we are, with kind regards,

29.

We beg to thank you for your two orders, through our Mr. ....., which will amount to about $...., but before making shipment, would appreciate hearing from you with statement of your financial condition, and such other information as may enable us to intelligently dispose of the matter. Authorities usually consulted, while speaking of you very highly in a personal way, mention that you have a chattel mortgage of $1,250.00 on your stock, and it is also stated that there are several old claims in attorneys' hands against you at present. We have not undertaken the verification of these reports, feeling that it would be more satisfactory, mutually, to take the matter up frankly with you, as you could favor us with explanation better than anyone to whom we might send enquiries. We will admit that it is not exactly the way these matters are handled, but have always believed there are times when frank correspondence between one and his customer is productive of better results, than verifying information in a round-about way, etc., suggesting security.

30.

Etc., etc. We desire to hear from you regarding the ultimate payment of this bill, which will amount to $....., as well as to make some enquiry regarding your financial condition.

Authorities consulted report that you have liabilities of about $1,900.00, with assets of about $2,500.00, and that you also have a mortgage on your stock and fixtures of about $1,400.00, which we presume is a part of the liabilities mentioned. Before we can fill and ship this order, we shall have to ask you for such reference and further information as will enable us to better determine the advisability of opening the account on our regular terms.

Should you, in preference to filling out the enclosed blank, and giving us the desired information rather avail yourself of our 2 per cent cash discount, kindly remit us the above amount, less discount, and the order will have our immediate attention, etc.

31.

....., etc., but before sending the goods out, would prefer seeing you with reference to the chattel mortgage, which it appears covers your stock. In matters of this kind, while we will not say we decline to sell under a chattel mortgage, we always do it with a clear understanding, as they are more or less a menace to the unsecured creditor.

If you desire, we will send this order C. O. D., etc.

32.

(Paragraph "A.")

On ..... we wrote you with reference to your order given our Mr. ....., amounting to $....., and requested a statement of your affairs, etc.

(Paragraph "B.")

....., etc., "and whether any of your indebtedness is past due, etc.

(Paragraph "C.")

On..... we wrote you with reference to your order given our Mr. ....., amounting to $....., and enquired as to the nature of your liabilities, which, we understand, are quite heavy.

....

Not hearing from you, and presuming that the matter was being overlooked, we take this opportunity of thanking you to write us at this time, as it is getting rather late in the season. The order being packed, it will be necessary to have your disposition as early as possible.

In these matters, it is always more satisfactory to deal frankly with each other, as best results come from handling the case in this manner. Kindly take what we have written in good part and let us hear from you, etc.

33.

We wrote you, on ....., with reference to the order given our Mr. ....., and not having heard from you, enclose herewith a copy. We have no doubt that our letter must have been delayed in the mails, as you should have gotten it before this.

Kindly favor us with a reply at this time, as it is essential that we have certain facts upon which to dispose of the matter satisfactorily, and are anxious to make shipment without further delay, etc.

34.

With reference to our letter of the ....inst., we regret that we have not heard from you, in-

asmuch as we have prepared the order for shipment, and would thank you for your early reply. We packed your order under the presumption that we had asked nothing unreasonable, and felt that you would promptly comply with our request.

35.

We are in receipt of your letter of the ..... inst., and have read and noted same carefully. We do not, by any manner of means, expect our customers to be capitalists, or even what might be considered well-to-do in this world's goods, but we do, at least, expect them to have a capital invested, equal to the amount of goods they buy, and in your case, this does not seem to be true. As stated in our previous letter, your reputation for integrity and fair dealing is all that we could expect, and in that regard is entirely satisfactory; but is very evident that in order to pay our bill, it will be necessary for you to convert the goods you buy from us into cash for that purpose, and should you be disappointed in your trade, you would, of necessity, be disappointed in meeting the bill when due, and so would we.

Our request, that you give us a written guarantee for the payment of the bill, in our opinion is not asking too much of you, and we trust you will be able to do this. We would not, under the circumstances, feel justified in shipping the goods without such a guarantee, or a check in advance for the amount. If you can comply with either of these propositions, we will be very glad, indeed, to get the order out and ship at once.

Awaiting your further reply, we are,

36.

Your favor of the ..... is received. We wrote you on ....., requesting that you give us a statement and references before we could fully determine the advisability of opening an account with you on our regular terms. We mean by that you give us reference to firms from whom you have previously bought, and until we have such reference, we cannot ship the goods. It is of the greatest importance to you, and to us, that when business relations are opened, it be with a thorough understanding. In other words, it is better to have our quarrel first, and then after it is settled, there will be little likelihood of disagreement later on.

Kindly give us these references, and if they are satisfactory, we will ship the goods without further delay.

37.

We are in receipt of your letter of the ..... inst., and after further consideration, we have decided to rest on our decision of .....
We should like very much, of course, to fill your order, but based upon the financial showing which you make, we do not feel justified in doing so. Mr. ..... is now with us and recommends that we fill the order, but as stated above, we do not feel warranted in making an exception from our usual rule in this case. If you can send us check to cover, or a satisfactory guarantee that the bill will be paid when due, as suggested in our letter of the ....., we will get the order out and ship without further delay.

38.

We are in receipt of your letter of the ..... inst., and while we should like very much, indeed, to comply with your request and ship you the bill of goods, yet for reasons stated in ours of the ..... we cannot do so. It is possible that we are mistaken in our conclusion, but we are endeavoring to confine our business to those merchants whose capital invested justifies the belief on our part that they will discount, or at least pay promptly at maturity.

Should you visit St. Louis at any time, we would be very glad to have you call on us, when we would be pleased to take this matter up further with you.

39.

We are in receipt of your letter of the ..... inst., and note contents. You do not give us the information or references asked for in our letter of ....., which we must have before we can make the shipment referred to.

To be frank with you, we do not feel that as a business proposition we would be warranted in opening an account with you on regular terms without hearing from you as suggested, with references of persons from whom you have bought, etc. We are not disposed at all, to be over-careful in such matters, but do believe that it is better to have some understanding along these lines, at the time of opening business relations, and then there is less likelihood of disagreement later on.

40.

We are in receipt of your letter of the ..... which has been carefully read and noted. We

regret that you did not accept our letter in the spirit it was intended—simply a business proposition. As stated in our letter, we did not consider it was using good, business judgment on our part to extend to you a line of credit of over $750.00, when it does not appear that you have much, if any, more than that amount of capital invested, and without other outside means, it appearing that your real estate is in the name of your wife. We can see no reason why we should change our views with reference to this matter, and before we can make shipment of the holiday bill, we will again ask you to give us a statement or guarantee of the account, as requested in our previous letter. As stated before, you are well spoken of, in which respect you are all that anyone could desire.

41.

Replying ..... etc., we believe we would prefer that you let us have remittance covering the order, amounting to $....., less our cash discount of 2%. We are guided entirely in this matter by the fact that you are carrying a very heavy indebtedness, and while we do not question your intentions, whatever, one cannot always do all he might desire, and if you were pressed for payment, it might prove embarrassing. Under the circumstances, until you have worked your affairs into better shape, we do not feel that we can consistently open the account on regular terms.

If you will have your bank guarantee the ultimate payment of this bill, it would perhaps be the more desirable arrangement, as you would then have time to meet the account when due, and we would feel secured from possible com-

plications of present creditors. Your bank is, no doubt, familiar with your affairs, and will probably do this for you, and hope we will receive a further reply from you bearing out this suggestion, etc.

42.

We have your letter, etc., enclosing statement of your financial condition. We are not quite clear as to the indebtedness you mention that you are owing, individually, to your predecessor, and would appreciate further information which would give us a more definite understanding regarding it. It might be only a coincidence that you are owing your predecessor, and have no bearing on your stock company—at the same time, without any facts of the case, it would appear naturally that this indebtedness was due on the purchase of your store, and if not incompatible with your desires in the matter, a frank explanation of why this amount is owing, in what shape it exists, when due, and what preparations you will make to meet it when due, will be greatly appreciated by us and held strictly confidential. This information will naturally strengthen your account with us, as definite mutual understandings always do.

We are working along on your order so there may be no delay, and the fact that you have cut down the order, while it has been a little extra work on our part, is, no doubt, preferable to overstocking you.

Kindly let us hear from you at your early convenience, and thanking you in advance,

43.

We have your letter of the 14th inst. and note the explanations you have made as regards your past due accounts, but, of course, you will readily understand that we are not encouraged in opening an account with you on our regular terms while your other accounts are not taken care of. As a merchant, you no doubt know from experience, that such accounts are not entirely satisfactory, even though the party may have an abundance of property behind him, to secure anything which he might owe. We must be guided by the experience of others in matters of this kind, and while we have no doubt that matters will soon adjust themselves with you. we prefer that you let us have remittance covering this order in accordance with our letter of the 11th inst., and later on, as conditions will warrant, will be pleased to have you open an account with us.

Trusting our letter will not be misunderstood, and wishing you every success, we are, with kind regards,

43A.

Replying to your letter, etc., from every source from which we have made inquiry through regular trade channels, we received information in every manner satisfactory, both as to your character and good intentions, and, to be frank with you, our disposition is to sell you the quantity of goods desired. On the other hand, we are confronted with the record you have made heretofore as to the payment of your accounts. Some authorities say that you often let your accounts run over, until they are placed

in the hands of attorneys for collection, but you have never been known to fail to pay at some time, again declining.

44.

Replying to your letter of the ..... inst., would say that we prefer, in view of the heavy indebtedness which you are carrying, not to ship your order on our regular terms. We do not question your ability to take care of all your liabilities, but in view of the chattel mortgage which you are carrying, business prudence suggests that we adhere to our previous disposition of the matter, for the present at least.

We might add that the party who is holding the chattel mortgage against your stock, has observed the necessity of security, although he is considerably more familiar with your affairs than we are, at this distance from you. We dislike to lose any business, but feel that it should be accepted only on entirely conservative lines.

Regretting that our feelings in this matter have undergone no change since last writing, we are, with kind regards,

45.

We have your favor of the ..... inst., and upon further consideration we would prefer not shipping this order on our regular terms. If you will have ....., at your town, guarantee this shipment, we would be pleased to forward it. If the idea is agreeable with you, kindly take up the matter with them and have them forward us guaranty. We want to sell all the goods we can, but have always been more or

less opposed to selling where a large chattel mortgage exists, as not infrequently it brings about conditions, over which the party placing it, has no control, and while not questioning your intentions whatever, have come to our decision solely from a credit viewpoint.

46.

We have your favor of the 15th inst., and regret very much that you were not favorably impressed with any of the suggestions we made in our letter, as we know it is'nt always convenient to remit in advance on an account. While it is true the order is small, we are informed that the chattel mortgage, held by your father, entirely covers your investment, in fact, we understand that the proceeds of your daily sales are received by him. Naturally, you will understand, as a business man, that this practically obliterates the matter of credit.

We are not questioning your intentions, whatever, and our Mr. ..... speaks very highly of you; at the same time, you have practically put matters out of your own control, and we have always hesitated in shipping goods under these circumstances. We are perfectly willing, at all times, to take what might be termed a fair commercial risk on an equal basis with other creditors, but have felt at a disadvantage where another creditor is preferred and secured. We hope that you will see nothing unreasonable in having your father guarantee this, as suggested, as it is nothing more than a mere mater of form, and will cause you no inconvenience, and you could then enjoy our regular terms.

47.

Replying to your letter of the..... inst., would say we wired you this morning, "Arrangement not satisfactory. Await our letter of today," and in explanation of same do not feel that we could consistently ship this order under present conditions.

If you could have party who holds chattel mortgage, and whose name you have not given us, guarantee the account for us, or some other security than that offered, we would be only too pleased to let the shipment go forward. The amount of your order would give you a line of credit of about $....., which, upon very careful consideration, we would not feel warranted in extending upon the security you offer. All creditors, other than the one secured, are at a disadvantage, where a chattel mortgage exists, and while we do not question your intentions, whatever, and our Mr. ..... strongly urges our shipping the goods, we would feel better satisfied if you secure us as suggested. We will grant you every reasonable accommodation as regards payment of the account, should it become necessary when it matures, but want something upon which to base this leniency.

We have no doubt you will let us hear from you as suggested, and that the order will eventually go forward; hence the sooner arrangements are made, the less possibility for disappointment as regards its delivery.

Thanking you for a prompt reply, we are,

48.

We have your letter of the ..... inst., with reference to chattel mortgage on stock of the

..... Co., of your city, stating that you hold the mortgage, that the payments are arranged so as not to cause any embarrassment to the mortgagor, and that you would consider us safe in extending them credit for their needs.

You being indirectly interested in the success of this firm, it occurs to us that you might be willing to guarantee our account, as, of course, yours being a preferential debt, it is the only one which causes us any apprehension. In explanation of this request we might add that you are personally acquainted with the members of this firm, and are right at home with the account in constant supervision, and yet you have observed the necessity of security, and have no doubt that our suggesting like protection for ourselves will not appear unreasonable to you.

The little order sent us, has already gone forward, they having remitted us covering it, but it would be much more convenient for them to order on open account, and being perfectly familiar with their affairs, presume you will be willing to grant us and them this accommodation.

Thanking you for your further advice in the matter, etc.

49.

We have duly heard from your references, Messrs. ..... and ....., who, while speaking of you very highly, do not guarantee the account.

On the score of your being a good risk, from a personal standpoint, we have never had the slightest doubt, as you have always been highly recommended to us, but in the absence of substantial capital, we have nothing upon which

to open an account with you on our regular terms. Can you not have your bank guarantee a line of $.....?

We are holding your order, awaiting your reply, and thanking you to let us hear from you within the next few days, we are,

50.

We beg to thank you for your remittance of the ..... inst., amounting to $....., which has been duly passed to your credit on account, leaving a balance owing and due of $.....

With reference to your request for more time on this balance, you will understand that if we grant you any extension, it must be done with the consent of ....., who have guaranteed this account, and we would request that you have them write us, that it is agreeable with them that we carry the matter for you. Upon receipt of such information from them, we will grant you the accommodation you desire. We quite understand that you have pride in paying your own bills, and want to assist you to the extent that you may do so. As the account is now, it will be necessary that we hear immediately from ....., and hope you will take it up with them at once, etc.

51.

Our draft of ....., amounting to $....., covering your guaranty of ....., has been returned with the indorsement, "Mr. ..... says he will settle with you direct."

This arrangement will be perfectly satisfactory to us, as we advised Mr. ..... several

days ago, but it is necessary that you give your consent to arranging matters in this manner. Of course, you will readily understand if you do not do this, and we accept further agreement from Mr. ..... without your assent, it will vitiate the guaranty which we hold. While we have every desire to accommodate Mr. ....., we will do so only upon the lines suggested, and if we do not have advice by return mail covering the matter, we will have no other alternative than holding you to the guaranty, and turning the matter over to our attorneys. We do not want to do this, and a word from you will prevent it.

Please let us hear from you at once, etc.

52.

Replying to your favor of the ..... inst., would say that in the same mail we received reply to our inquiry from ....., which is entirely satisfactory, although the line of credit you enjoy with them is considerably less than this order, which we have under consideration.

It occurs to us that if you will let us have remittance of ....., we will complete this order and make shipment, with the other half subject to our regular terms, due ..... We presume you will find it convenient to do this, and make this suggestion in a desire to meet you half way in the proposition, to avoid disappointing you. As you say, it is getting rather late in the season, and as the order has had attention, and the selection seems good, know you will be better satisfied, if you can make arrangements as above stated.

Hoping our recommendation meets with your approval, and that we shall hear from you within the next few days,

53.

With reference to your order, amounting to $....., would say, upon further consideration and for reasons previously advanced, we would prefer not shipping on our regular terms. We might suggest, however, that if you could let us have remittance for one half of this amount—say $....., we will forward the order, and let the balance fall due .....

If this arrangement of meeting you half way is satisfactory, kindly let us hear from you promptly, so that we may make immediate shipment, or, in the event of your making other arrangements, let us know by return mail, that we may put the goods back in stock in sufficient time to apply the items on other orders.

Awaiting your attention,

54.

Replying to your favor of the ..... inst., would say, upon further consideration, we believe we would prefer not making shipment of your order, at least upon the terms under consideration. While we hope that your present anticipations of fall trade may be fully realized, at the same time if they are not, it probably would occasion tardy settlement of this invoice when it matures. We might enquire, could you send us $..... or $....., as upon receipt of this amount, we would be willing to ship you the order, and carry the other half until ....., at

which time it would mature. In meeting you half way on this proposition, we do so with the hope, that inasmuch as you have already made your selection, do not want to disappoint you if we can help it.

See what you can do in regard to this proposition, and let us hear from you further, and in the meantime, etc.

55.

We have your letter of the ..... inst., and are pleased at the creditable showing you make us. We are writing the parties to whom you have referred us, and, no doubt, their replies will be favorable, and we will make shipment. It occurs to us, however, that it is getting very late in the season to delay matters, awaiting replies from these references, and if you would have your bank guarantee ultimate payment of the account when due, we would be able to make immediate shipment and have ample time to establish the account on regular terms as regards future orders. Your bank is, no doubt, perfectly familiar with your affairs, and would do this for you to expedite matters. However, if you think we have time, it will be perfectly satisfactory to let the matter rest until we hear from the inquiries we have just sent out.

Assuring you of our kind regards, we remain,

56.

....., etc. We would prefer that you give us reference of parties from whom you have previously been buying goods. Banks and attorneys, as a rule, can only be referred to in a personal manner, and upon this score we are

quite well satisfied, but we must have information from parties from whom you have previously bought, before concluding whether or not to ship. In this connection we will state that it is possible we are making a mistake in asking you further for reference, or for some security before filling and shipping the bill of goods for which our Mr. ..... took your order, but we believe in view of the statements which you make through the usual commercial channels, that we are justified in this conclusion, although it is possible if we knew, and understood each other better, we would not hesitate to fill your order. Mr. ..... is one of our leading salesmen, and while his recommendation and advice go a long way with us in determining our action in opening accounts in his territory, still we must rely largely upon other sources of information.

Under the circumstances, until we have heard from you with satisfactory references, along the lines suggested above, we are holding the order,

57.

Replying to your letter of the ..... inst., would say that immediately upon receipt of your or-order, Oct. 20th, we wrote you requesting a statement of your affairs. From the tenor of your letter just received, it is evident our previous letter must have miscarried. We, therefore, enclose another blank, and would appreciate it if you would kindly fill it in and return at your earliest convenience, together with the names of some of your larger creditors. Of course, this information will be regarded entirely confidential and for the sole purpose of determining the ad-

visability of shipping this order on our regular terms, etc.

58.

Replying to your favor of the ..... inst., beg to advise that we wrote you at the time your order was received, enquiring as to who the stockholders of your Company are, and for some information which might enable us to determine a disposition thereof. We are unable to obtain this in the usual channels, and as our policy has always been one of frankness in subjects of this kind, we took the matter up with you. It now appears the communication has miscarried, and regret, very much, the appearance of neglect on our part, which construction you have placed upon the fact of not hearing from us.

We regret that you have sent your order elsewhere, and hope that we shall have an opportunity, in the near future, of hearing from you again, and that we have satisfactorily explained matters to you. In the meantime, we would appreciate any information you might give us regarding your affairs, so that any delay on your future orders may be avoided.

Wishing you every success, etc.

59.

We have your favor of the 15th inst., and regret, very much, that, apparently, our letter has been misunderstood. We are not declining your order, but rather, seeking information from you upon which to approve it. There is nothing unusual in our making this request of you, in view of the fact, that information comes to us indicating claims are at present in an attorney's hands against you.

Credit is a sensitive thing, and it is absolutely essential that there be frank, common understandings between a debtor and creditor. It would not be possible to do business together if this were not the case. Kindly give the matter your further consideration, and we believe you will acquit us of having made any unreasonable request of you.

Awaiting your further reply, and hoping to hear from you at your early convenience, we are,

60.

We are in receipt of your letter of the 25th in reply to ours of the 23d inst., and believe that you misunderstood us when we wrote you for references. We mentioned that authorities usually consulted, spoke very well of you in a personal way; that your business received all necessary attention, but we desired the names of parties from whom you had been buying, who would, no doubt, be able to give you a good record. It is customary to ask such questions, when an investment is a limited one, as the experience of other creditors would form a foundation for establishing a new account, not alone warranted by the capital employed.

We would be glad if you would reconsider and give us the references asked for, when, no doubt, we will be satisfied to let the goods go forward.

Awaiting the favor of your early reply, we are,

61.

....., etc. We have carefully noted your letter, and regret that business prudence does sometimes cause us to sacrifice business, although

we see nothing unreasonable in having requested of you a statement, which could have been given, and still hope to hear from you as suggested.

Should you feel differently in the future, we shall be pleased to receive your future orders, and in the meantime, wishing you every success, etc.

62.

Your letter of ..... has been duly received, and we have also had replies from the parties whom you gave as references. We are pleased to say that they are entirely satisfactory, and we will be very glad to ship you the bill of goods sold by our Mr. ..... on our regular terms.

From the tone of your letter, we apprehend you did not receive it in the spirit, which we intended you should. It is customary, in the absence of satisfactory reference, to make enquiry, and our method of doing this, is making it direct of the parties from whom the order is received, believing this course better than considering outside enquiries. In this manner, we arrive at a thorough understanding before business relations are opened, which, experience has taught us, is better for all concerned.

Trusting you will reconsider your cancellation of this order and permit us to get the goods out and forward them to you, we remain,

63.

....., etc. You will readily understand that inasmuch as we do not come in personal contact with our trade, it is absolutely essential to have something upon which to reach a decision in a contemplated credit. You mention, with pride,

that you have not given a statement to the agencies in ..... years, and probably will not for a like term. We requested a statement from you so that we could handle the matter intelligently, but you have refused to comply; in other words, you expect us to open an account with you on our regular terms, with no other information than the assurance that you will pay the bill when due.

You say you have an investment of $..... Certainly a man must be a business man to accumulate such a stock, and this being the case, we are at a loss to understand why you are reluctant to make a showing of your affairs, which is only natural under the circumstances. If someone walked in your store and requested credit, we know you would not grant it without knowing more about his affairs, than a plain promise on his part, to pay the account when due. We have asked nothing unreasonable, and are writing more in justification of the position we assumed, than in the hope of filling this order for you; and might add that until you do place your affairs on record of just how you stand, we believe the present occurrence will confront you not infrequently with other houses. We are writing this in good part, and trust it will be accepted as such, but regret that we can do nothing with the order in hand until we hear from you along the lines suggested, etc.

64.

....., etc. While we appreciate the information you have given us, upon further careful consideration, would prefer that you get your indebtedness reduced to some extent, before shipping you on our regular terms. From your

letter, we do not believe it will take you long to do this, especially as you are no doubt bending your energies to this end. However, at present, your indebtedness outweighs your assets, and from a credit point of view we know you will agree with us.

We still believe it would serve your interests advantageously to have Mr. ....., who holds your mortgage, guarantee for you a line of say $..... with us, and we would then not ask you to remit, as we are under present conditions, etc.

65.

....., etc. We thank you for the references you enclose, to whom we are writing, and as soon as we hear from them, will advise you further, although, as you mention you have your affairs in better shape, and have had no past due accounts against you for some time, presume we shall receive satisfactory replies, etc.

66.

We have your letters of the ..... inst., and in giving the matter further consideration have concluded to ship the order taken by our Mr. ....., in view of the frank explanation you have given us. From the statement you offer, there would appear no reason why you should not be able to meet the account when it matures, and if you do this approximately when due are pleased that you gave us an opportunity of disposing of the matter in this manner.

Hoping that the account, begun on these frank lines, will progress mutually satisfactorily, etc.,

67.

Replying ....., would say that upon further consideration of the matter, we have decided to ship your order, which is having immediate attention, and will reach you in plenty of time for the coming season.

We do not expect all of our customers to have large capital, and from the statement you offer us, we believe you have your affairs well in hand, are going to make a success, and we certainly want to go to that success with you, etc.

68.

We are in receipt of your letter of ..... etc. We also have a letter from the ..... bank, speaking very highly of you, and mentioning that you discount all your bills. Other authorities consulted also speak well of you in a personal way, although they claim that your indebtedness for borrowed money is rather large, but not excessive. However this may be, we have decided to ship the order, and the goods will go out just as soon as they can be gotten ready, and in view of this latter information, we have no doubt of your ability to take care of the account when it matures.

We are,

69.

With further reference to your letter of the ..... inst., would say we have approved your order to-day, and will make immediate shipment, the references you gave us, having replied very satisfactorily.

We are pleased that you gave us an opportunity of coming to a common understanding, and

now that the matter has been disposed of, know we shall continue doing business together to our mutual satisfaction, etc.

70.

We have your letter of the ..... inst., and in view of what you have written, and the very high manner in which Mr. ..... speaks of you, we are approving your order and it will go forward at once.

We are pleased to note that you have your liabilities in the easy shape you mention; they should cause you no embarrassment, whatever. Of course, there are circumstances as regards any indebtedness, which affect a credit risk, and we always desire information on this point, and thank you for, etc.

71.

We have your letter, etc., and carefully note the explanation made therein with reference to your recent method of paying your bills, the matter being one of exception rather than habit.

We have approved the order and will get it out and ship to you with as little delay as possible. You may wait until the goods arrive and check them up before remitting, if you desire, It is better for all concerned that an understanding be had regarding these matters before opening up business relations, and trust we will now be able to do considerable business together to mutual advantage, etc.

72.

We are in receipt of your letter of the ..... inst., and have made careful note of its contents,

and after further consideration have approved the order for holiday goods sold you by our Mr. ..... They will be gotten out at once, and forwarded in accordance with instructions.

We can quite understand that a failure of crops in your section would bring about a shortage or stringency in financial matters. This, we did not know of before, and with good crops, and good prices this season, (which you say you have), you will, no doubt, come out with flying colors.

Since writing you on the ....., we have word from ....., of your city, speaking very highly of you and your prospects. We trust that now, after this little incident, our business relations may be of long duration and to our mutual satisfaction and profit, etc.

73.

We have your letter of the ..... inst., and beg to advise that we are approving the order and will rush shipment forward promptly. Frankly speaking, were we guided entirely by information received from sources usually consulted in these matters, we should not feel justified in filling this order on our regular terms, but with the assurance you give us, that the account against you is a disputed one, that being your reason for not paying it, and upon further advice from Mr. ....., who insists that the other information is exaggerated, we are pleased to make the present disposition of the matter, etc.

74.

We beg to thank you for your remittance ....., and are making immediate shipment of the order you sent us several days ago.

We agree with you, that information through the usual channels is not always satisfactory, and yet the bulk of the business to-day, for lack of a better system, must be, to a large extent, based upon them. The credit man sits at his desk, and must approve orders on credit, with very little other information than is obtained in this manner. From the tenor of your letter, and the frank details you give, we have a suspicion that some one has blundered. We are grateful, however, that you have accepted the matter good-naturedly, etc. Please favor us with your further orders, and they will be charged on our regular terms, and duly appreciated.

75.

Acknowledging your remittance, etc., we are shipping your order to-day, and regret the delay which was occasioned by misinformation received by us, your explanation having been entirely satisfactory. We are compelled, to a large extent, to rely upon information which comes to us in such matters, and while it is rare, there are occasions, where gross errors are made, and this is evidently one of them. We trust you will acquit us of anything, but due exercise of business prudence, which is necessary in opening a new account, and hope the little incident may be put behind us and forgotten in our future pleasant dealings, etc.

76.

We have your communication of the ....., and in the same mail the reply from ....., speaking very highly of you, and if it is not

too late to influence you to change your mind regarding the cancellation of your order, we would be pleased to have you reconsider it. Of course, you as a business man, will readily understand that in the vast number of accounts we handle—in fact any wholesale house—we must be guided by such information as we are able to obtain from authorities at our service; and while they make mistakes sometimes—in fact, serious mistakes—we have no alternative than to rely on them, to a great extent, not coming in personal contact with those with whom we are dealing.

We trust that the matter will be viewed by you in an impartial manner, and that you will permit us to make shipment on our regular terms, which makes the invoice mature ..... Your selection seems a good one, the order is all packed, and in view of the splendid manner in which ..... mention you, are reluctant to lose this order, but would rather it begin pleasant relations between us.

We await your reply, and assuring you of our kind regards,

77.

We have your letter of the ..... inst., and regret that information which came to us through authorized channels has evidently been incorrect. While it is not frequent, it does happen that errors in reports are made, and, undoubtedly, one has been made in your case. We are unable, however, to give you the name of our informant, as we are under an agrement not to do this—in fact, it would vitiate our contract if we did. We have, however, submitted to them the letters you sent us, and, indirectly, while

the transaction has been most unpleasant for you, it will succeed in removing information which, as you say, could do you damage. But our service can go no further than this, and are sure, having explained it this way, you will understand our position. We regret we have lost the order, and yet it has given us a clearer understanding between each other, and knowing that you will accept our explanation, hope when needing goods in our line we shall hear from you again, etc.

78.

We beg to thank you for the letter of the ..... inst., enclosing $....., advising us to cut down your order to that amount. The matter is having our attention and shipment will go forward to-day.

We are pleased to receive the information which you saw fit to give us, are writing your references, and, most assuredly, if their replies are satisfactory (which, no doubt, they will be) we want to sell you on our regular terms. We quite realize, that sometimes an injustice is done by prejudiced credit information, and yet is is the only guide which enables any business house to pass upon its credits. It is gratifying to note that you regard the matter as indicated in your letter, and hope, that having begun relations so frankly, they may continue to our mutual benefit, etc.

79.

We are in receipt of letter from ....., guaranteeing your account with us to the extent of about $..... We are approving your

order, and it will be gotten out and shipped at once.

If it is your intention to have the bank guarantee your bills for any greater amount than $..... (which was about the amount of the first bill sold you by our Mr. .....), we would suggest that you get a further letter from them to that effect, as without such an instrument, they would not consider themselves liable to us. You do not say in your letter whether or not the bank intends guaranteeing subsequent bills, and we would like to have you see them and advise us.

80.

Replying, etc ....., your order has been approved, and will be shipped without delay, the terms being 2%, ten days; net, thirty.

In this connection, however, we will say that it is not customary for us to accept an account on regular terms from a firm whose stock is covered by a chattel mortgage, but authorities consulted speak in the highest terms of your integrity and good intentions; that you understand your business thoroughly, and give it close, intelligent attention; and because of these pleasant reports of you personally, we are accepting the account.

We do not expect our customers to be rich men, always, and are willing to assist, so far as is consistent with business methods, young men who are starting out on their own account. We would be glad to hear from you further, from time to time, as to your prospects, and what headway you are making towards freeing your stock, etc.

81.

Replying to your inquiry of ....., inasmuch as you have written us so frankly, we are going to do likewise. It will give us a clearer mutual understanding, if you would let us have a statement of your financial condition—that is, roughly speaking—and have no doubt from the tone of your present letter that it will prove satisfactory for such a line of credit as you mention. We could, of course, obtain this information through other channels, but it is never so satisfactory, and where an opportunity arises like this, we always take the matter up candidly with our customer.

We are gratified that the outlook is so good with you for a successful season. Our line this year is exceptionally fine, and we know it will be a pleasure for you to make your selection, and that you will find it a good seller.

Hoping to hear from you in the next few days, etc.

82.

We have your letter of the ..... inst., and the candid business tone of it encourages us to frankly enquire of you for a statement of your affairs, instead of seeking this information in other channels open to us. Kindly fill up the enclosed blank (which is quite brief) and forward to us by return mail, and we have no doubt that when you have done this, we shall be more than pleased to grant you a $..... line of credit, as you mention. We always prefer to deal directly with our customers, as far as possible in matters of this kind, and are gratified

you gave us an opportunity of writing you in this manner.

Hoping to hear from you in the next few days, etc.

83.

We wired you as follows, to-day: "Have bank wire guaranty ..... Letters follow. Too late if not attended to immediately," and in explanation, might say, that authorities usually consulted in such matters, while speaking of your firm very highly in a personal way, are unable to give definite information as to the real ownership of your investment, or possible liabilities, and in view of the extreme lateness of the season, and the hazard of delay, trust our disposition of the matter meets with your approval. With urgency for immediate action eliminated, we will have ample time, later, to come to an understanding, and establish the account on regular terms, as to future orders. Kindly let us have statement of your affairs, showing assets and liabilities, and whether any of the latter are past due; also the names of those interested with you in your enterprise. We hope that you have complied with our telegram before this letter arrives, and, as order is all packed, there will be little delay if you have, etc.

84.

Your favor of the ..... is received, and in reply are pleased to advise, that your goods were shipped on the ..... inst., and have been followed with tracer to insure prompt delivery. We must plead guilty to having held your order a few days, pending inquiries, customary with a first order, which you will readily understand,

business prudence requires. You are recommended to us very highly in every way, however, and this delay will not occur again. Hoping our frank explanation is satisfactory, etc.

84A.

Replying to your letter of the ..... inst., would say that your order was not delayed as a matter of credit precaution, as our Mr. ..... advised us fully at the time he sent us the order, and there was no hesitation on this score, whatever, in making shipment, etc., followed by some excuse.

85.

We have your mail order of the..... inst., which is having attention, but prefer hearing from you in the meantime with reference to your present account of $....., which was shipped you ..... You wrote us at the time that you would discount your purchase within ten days, and during the early period of your account, we would prefer that you do this, until your account with us is a little more firmly established—that is, at the present time, we would rather not lap bills.

The account is subject to ..... discount at this time, which you may deduct in making your remittance. Should you let us hear from you promptly, there will be no delay, as the order you just sent us, will be ready for shipment and can go forward as soon as we hear from you, etc.

86.

..... etc., which has had our careful consideration, we can only reiterate the remarks in

our last communication. You informed us you had ample capital to pay for the goods you bought from us, but that it was a matter of convenience to check them up before you remitted, and, consequently, did not expect that you desired to sell them before you made us remittance. We have your other order all packed, but naturally hesitate to make shipment, when you plead lack of funds with which to meet your last account. We had a clear, definite understanding when this was gone over at the time you made your opening purchase. You made us promises, as to what you were going to do, and we expect you to live up to those promises, etc.

87.

We thank you for the very handsome order Mr. ..... has just sent in, which has been approved, and will go forward immediately, in accordance with shipping instructions.

This order will amount to about $....., which, together with the present amount you are now owing us, $....., will run your account something over $....., which, frankly speaking, is a very liberal line of credit for you; however, in view of the fact that our Mr. ....., who has known you for many years, speaks of the progress you are making, we have no doubt that you will be able to take care of the account at the close of this season. We would appreciate it, however, should you find it convenient, if you would let us have remittance on your present account as your further collections come in.

Wishing you much success with the bill we are shipping you, and assuring you of our appreciation, etc.

88.

Your order, etc. .....

We desire to call your attention to the fact that the guarantee of ..... has now been exhausted, as you have paid us, to date, $....., and their indorsement for you was for $..... Before we can fill any further orders, we shall have to ask you for further guarantee covering your account for a stipulated sum, preferably for a term of months. Let such guarantee be general, covering any or all bills up to a certain amount. When one guarantees specific bills, he is released from such guarantee when the bills are paid by you, and would not apply on subsequent purchases, etc.

89.

We have an order in the house from you for shipment on ....., which is now being prepared accordingly. We beg to enclose herewith statement of your account, and while none of it is due, it occurred to us that you might desire to discount a portion of the ..... bill, which is subject to .....% discount at this time.

Thanking you to let us hear from you whenever we can serve you, etc.

90.

..... etc., and while our relations thus far have been entirely satisfactory, we would prefer that your line of credit with us approximate its present amount, $..... While none of it is due net at this time, might we not suggest that you avail yourselves of our .....% discount

on ..... purchases, amounting to $....., all of which will mature net after the ..... of this month.

Awaiting the favor of an early reply,

91.

We have your several orders, through our Mr. ———, but before filling same, would prefer awaiting a reply to this letter. These orders will amount to about $....., which will be considerably in advance of the previous credit which you have had with us. We naturally hesitate to increase it, in view of the fact that your past account, on a smaller basis, was frequently tardy—in fact our collection of Mch. 18th was returned with a payment of $..... on account, and the balance has just come in at this time.

We would appreciate a statement of your affairs, and such other information as might enable us to intelligently dispose of this matter, as, we want to make shipment if we can consistently do so. Our Mr. ..... speaks of you very highly and recommends that we fill these orders, and it may be that we will be perfectly satisfied to do so when we have your reply, etc.

92.

The orders given to our Mr. ....., and your addition therto, sent by mail, have been received, and when shipped will amount to about $....., which amount, added to the account you are already owing, $....., (due $.....), would make your indebtedness to us about $.....

While our Mr. ....., and all other authorities consulted speak highly of you in a personal way, yet in view of the reported capital employed in your business, we would hardly feel warranted in carrying you for so large an amount. We do not question your good intentions, but it is possible to over-reach yourself somewhat, by buying too many goods, and getting into debt too heavily. $....., as stated above, is due ....., and if you will remit us, say $..... before date of shipment arrives, we will ship the orders immediately thereafter and wait on you until ..... for the balance, which would amount to about $..... We appreciate your business, and are willing to extend you a liberal line of credit, which we feel we are doing by making you this proposition, etc.

93.

..... etc. Before shipping, however, we should like to hear from you with a statement of your condition financially, and something as to your future prospects. Mr. ....., and all authorities consulted, speak of you in the very highest terms, and as a moral risk you are certainly all that we could desire; but in proportion to the capital you are reported employing in your business, the amount which you would be owing us, would seem too much. We are not declining this order, understand, but thought it best for us both that we write you frankly for further information concerning your affairs, and trust that you will receive this letter in the spirit in which it is intended. If you find it convenient to send us check for amount now owing, and a statement of your affairs, as suggested above, we

should feel inclined to ship this order, and have no doubt but that we will, etc.

94.

..... etc., which, in our judgment, is a line of credit disproportionately in excess of the capital which you are accredited with employing, i. e., $....., a part of which may, at present, be a liability.

Might we not suggest this shipment be held in our warehouse until you have had an opportunity of discounting your present indebtedness with us; or, perhaps, your bank might assist you, and if discounted at this time, the account would be subject to interest for prepayment between this and ..... at the rate of .....% per annum, etc.

95.

(Requesting statement, etc.) Your account thus far has been highly satisfactory, and while we understand that you are giving us your entire business in our line, and we appreciate it, at the same time the orders now in the house, when shipped, will run about $.....; probably more. We always believe in being perfectly frank in these matters, instead of seeking the information through other channels open to us, and usually employed by others, because it gives us clear, mutual understandings. We have met you in the store, and are impressed that you are a thorough business man, and will understand the reason which prompts this enquiry. We will have your order in shape to go forward as soon as we hear from you, and expect to make ship-

ment, as we haven't the slightest doubt but that your reply will be entirely satisfactory, etc.

96.

..... etc. Might we not suggest that you discount the upper portion of the enclosed statement, amounting to $....., which will be subject to .....% if remitted at this time, although it will, in another thirty days, be due net.

We are holding the order awaiting your reply, and trust that what we have said will be taken in good part, as a creditor can often do more injury to his customer, by selling him beyond a conservative limit, and exacting prompt payment of the account when it is due, than by merely calling his attention to facts, which seem apparent at this time, etc.

97.

..... etc. We have delayed writing you definitely in regard to shipping holiday bill, until hearing from our Mr. .....

We are now in receipt of a letter from him, and as before, he advises us to ship you $..... worth of goods, if we feel that we cannot ship it all. Mr. ..... and all others consulted, speak in the highest terms of you, as capable, hustling business men, and of the very best intentions, etc., yet we feel that to act upon his suggestion, you would be owing us more than we would be warranted in carrying you for, considering the capital you have employed in your business, as against outstanding obligations, etc.

98.

Replying to your favor of ....., with statement enclosed, would say the matter has had very

careful consideration at the hands of our Credit Department, as well as several of our directors, who are always here with us. We have looked up your town, find that it is a thriving, manufacturing point, and believe that, eventually, you are going to make a success of your business; but in our opinion this bill, which will amount to very nearly $....., would necessitate a larger line of credit than we would feel warranted in granting you, based upon the statement you offer us, which shows an indebtedness of $..... against a $..... stock, which latter item, we presume to be estimated.

Our Mr. ....., whom it appears has known you for many years, speaks of you very highly, indeed, and we have this proposition to make you. If you will let us have remittance for one-half of this bill, or one-half of such portion of it as you may now decide to have shipped, we will forward the entire lot, the balance subject to our regular terms, etc.

99.

Asknowledging receipt of your favor of the ..... inst., would say we are withdrawing the items from your order, in accordance with the cancellation you send us, and the balance will go forward immediately. You have written us very frankly and encouraged us to admit we did feel that as your first season is more or less problematical, and there is a possibility that you might be disappointed at its close, the bill was rather too large. With this in mind, we desired to ascertain exactly how you stood financially, so that if matters did not turn out entirely as you expected, whether you would be embarrassed, if you were compelled to carry much of the stock over for another season.

While we endeavor to sell as many goods as we can, at the same time, it is always with a view of protecting our customers, as far as possible. From your statement, however, and the order as it now stands, we believe you can control the situation satisfactorily. We do not usually write so frankly, but you entered into the matter in such a business-like spirit that we can't help it.

Assuring you of our best wishes for your success, and wishing to serve you in every possible manner, we are,

100.

Replying ....., etc., would suggest that you let us have remittance for one half the amount of your order before shipping; or if it would suit you better, you might prefer our dividing the order into two parts, making two separate shipments of it, giving you an opportunity of checking and remitting for first lot, before forwarding the second half.

Kindly give the matter your consideration and let us hear from you as to what it will be convenient for you to do in the matter. No delay is being occasioned by writing you, as the order is having attention and being laid out, but we desire to hear from you before packing, so that should the order be divided, it could be done more easily, etc.

101.

..... etc., before filling this order we would prefer having a frank explanation of just how your affairs stand at present. Although we have done considerable business together, and your present indebtedness of $..... is less than

you have owed us at one time, it is considerably past due, and we also understand that your other indebtedness has gradually increased; consequently, in the absence of advice from you, are unable to dispose of the matter.

Your account with us has never been questioned heretofore, and we would not now hesitate to ship this order, had not your account gotten in its present unsatisfactory condition, etc.

102.

We have your order, through our Mr. ....., which has been approved and will go forward in accordance with shipping directions.

With reference to your present account with us, however, we want to say frankly (and we believe in frankness), that we had anticipated you would have reduced it by this time, considerably more than is shown by the present due balance, $..... We would appreciate it if you would kindly let us have a brief showing of your affairs, and advice as to what amounts are owing to your principal creditors. Please understand we are not questioning your intentions, whatever, as we enjoy the same confidence in you as is expressed by our Mr. ....., but when a large due balance is not appreciably reduced, it at least shows inability to cope with conditions as they exist, and as a large creditor, naturally, we are desirous of knowing just how matters are with you.

During the last three or four months, your payments just about take care of purchases made during that time, without reducing the old balance. As it will probably be necessary to carry for quite an extended period, a considerable por-

tion of what is now due, might we not suggest that it be disposed of by joint monthly notes of you and ....., maturing beginning with ....., etc.

103.

We are in receipt of an order from you, through our Mr. ....., together with a letter from him, explaining why you had not remitted for our account, the greater part of which is now considerably past due. He explains that you have been ill for some time, and, therefore, unable to be about, but that would collect in your money and pay our account within eight or ten days from this date. He further states that you owe very little to others, and that your aggregate indebtedness is not over $.....; speaks very highly of you in a personal way, and recommends that we ship you the goods, for which he sends orders. This we will do, and you will receive invoice for them tomorrow. The amount of your indebtedness to us is $....., all of which is now due, and we hope to be favored, at an early date, with remittance to cover the amount.

Hoping that you are again in the enjoyment of good health, etc.

104.

We thank you for your order given to our Mr. ....., which is having our attention. In the meantime, however, we would be pleased to receive your remittance covering your due account of $....., to which we have previously called your attention. We do not object to some

accommodation in the matter of carrying accounts, but desire them paid within a reasonable time.

Thanking you, etc.,

105.

Replying to your letter of ....., requesting an extension until ....., etc. We regret that you found this necessary, on account of our own requirements at this time, but we have confidence that you will be able to send a remittance in two weeks, as stated, and if you do so promptly, etc.

The bills sold you by our Mr. ....., with instructions to ship when ready, will be forwarded some time the latter part of the month. Our tablets are not yet in, but we expect them all before ....., and as they are school supplies, we presume you will have no special use for them until later in the season, etc.

106.

..... etc. Before we can ship this order, we desire to hear from you regarding the account you are already owing us, and believe, if the situation were reversed, you would agree with us that it is far from satisfactory at this end. You are now owing us $....., of which amount $..... is past due. If we continue doing business together (and we hope we will) you must pay up what you owe, and, in the future, keep your account in better shape. It would appear to us, from the business you are doing, and with the capital you are reported to employ in your enterprise, that you should make a better showing

towards paying us, than you have to date. We have written you frequently in the past, regarding your delinquencies, but have never given you any trouble, and don't want to do so, but we must insist upon your doing something for us very soon, etc.

107.

We have your mail order of the 22d inst., but prefer having a reply to our last letter regarding your account. The last remittance we had was Mch. 29th, and your present balance of $....., we feel should be taken care of before increasing the account.

We are not taking this up as a matter of your responsibility, as your indebtedness with us has been more than this amount, and we would not hesitate to approve orders for considerably more at this time. We feel, however, that you are neglecting the matter, and would prefer coming to an undertsanding before making this shipment.

Kindly let us hear from you, and in the meantime, we remain,

108.

The order recently taken from you by our Mr. ..... is before us, but before we can fill and ship same, we shall have to ask you to pay up your present due account, amounting to $....., all of which is some time past due. The bill sold by Mr. ..... amounts to about $..... If we continue doing business together, it must be on lines nearer in accord with our terms than heretofore.

109.

Etc. ....., but before giving this order attention, would prefer that you reduce your present due balance, amounting to $.....

We are not apprehensive regarding the ultimate payment of the account, and it is not on these grounds that we raise the point in question; but you recently mentioned conditions with you as having been very unfavorable, and should they continue so, it would mean that this increased indebtedness would have to be carried correspondingly with the past due account; in other words, the question which now confronts us, is whether conditions in your section will warrant us in increasing your account. Our Mr. ..... writes us at length, and were we guided entirely by his views in the matter, would make shipment, but have always regarded an indefinite request for carrying an account, as militating against its increase. At any rate, before doing anything in the matter, would be pleased to hear from you, with information, which would assure us, that such purchases as you make from now on, will receive better attention when they mature, etc.

110.

Our Mr. ..... has forwarded us the order recently taken from you while in your city, but before we can fill and ship, we shall have to ask you to bring up arrearages.

Since opening the account with you in March, we have received no money from you. There is due $..... for bill of Mch 7th, that has been due since May 7th, and a bill of Mch. 28th, $....., will be due in a week. These two bills

aggregate $....., and if you will forward us your check for this amount, we will be pleased to ship the order referred to, which amounts to $..... You wrote us, on May 5th, that you would make us remittance the following week, but this has not yet come to hand, etc.

111.

We have your order of the ..... inst., which will amount to about $....., but in view of your account being past due with us, and having had no advice from you concerning it, would prefer that you take care of the present indebtedness before shipping this order. We do not expect our customers to have unlimited capital, but have never felt the wisdom of increasing an account, while it is apparent that bills already purchased are being neglected. We are satisfied that your intentions are all they should be; however, the past due indebtedness operates as a menace to your credit, and experience has taught us it cannot always be controlled by the debtor, etc.

112.

The order recently given our Mr. ..... is at hand, and will amount approximately, to $..... when filled.

We find, in looking over your account, that you have been somewhat slow, heretofore, in making your payments. In fact, you have remitted us nothing direct, and only paid our drafts after considerable urging. You are now owing us $....., which was due on ..... If you will remit us this amount, promptly, we will ship the holiday order on regular terms, and will

expect you to take care of it on ....., when due, or immediately after ....., when you will, no doubt, have disposed of the goods, etc.

113.

Etc. ..... We might add that we have not the slightest apprehension as regards the financial risk, as from credit authorities consulted it appears you have ample capital, and are satisfied that your intentions are all they should be; still your past due indebtedness, operates as a menace to your credit, causing hesitation in making fresh shipments, when so old a balance is not taken care of. We do not know the circumstances which have necessitated our carrying it so long, and would appreciate hearing from you regarding the matter, before our business relations assume greater volume. We do not feel that we are asking too much when we request a payment of the due account, or at least a liberal portion of it, before making shipment.

In the meantime, etc.

114.

Our draft of ..... for $..... has been returned by ....., with the indorsement that you could not pay just now. With this explanation before us, we do not feel justified in further increasing your indebtedness with us; hence are holding your order given our Mr. ..... until we receive a reply to this letter, etc.

115.

Our Mr. ..... has sent us the order given him by you on ....., and we are having the

same gotten out and prepared for shipment, but before we can forward the goods, we shall have to ask you to remit us $....., which is now sometime past due. As soon as this remittance is received, we will be pleased to make shipment. Mr. ..... tells us that you informed him you had made us a remittance on ..... or ..... No such remittance has been received by us. Mr. ..... speaks in very favorable terms of you, and of your business, and we are unable to undertsand why you cannot keep your account with us in better shape.

Kindly send us check to cover above amount, and we will then forward the goods without any delay.

116.

Your holiday order, amounting to $....., is all packed and ready to forward, but we are just in receipt of information to the effect that there are a number of claims in attorneys' hands against you; and mention is also made of the fact that quite a few have been settled in this manner, recently.

We would like to hear from you with a statement of your financial condition, and just how you stand at this time. We believe in being frank in matters of this character, as it is more satisfactory to have mutual understandings, when the indications all appear to the effect that you are having difficulty in meeting your bills. We have indulged you, ourselves, in the matter of your last account, as is evidenced by the present balance of $....., which fell due ..... We did not, however, know that you were behind with your other accounts, presuming that we, being very good friends of yours, you were

seeking accommodations at our hands, in preference to some of your other creditors. Naturally, under the circumstances, we hesitate to make shipment of the goods now packed.

Our Mr. ..... urges us to make immediate shipment, in order that you might not be disappointed by their late arrival, but are confident that you will understand the business prudence which dictates our action, and hope that you will let us have an early reply, with details and information which will enable us to intelligently dispose of the matter, and remittance covering your due account. We are always willing to assume what might be termed a fair commercial risk; but if there are many claims against you in attorneys' hands, the natural inference is they must be paid before our account will be settled, as those claims will be pressed.

117.

Etc. ....., but in view of the fact that you have been somewhat delinquent in paying your account with us, and we understand you are frequently behind with others, we have concluded that it would be better for both, that you limit your purchases to a given amount. You ars now owing us $....., which is due....., and if you will remit us this amount promptly, we will be pleased to forward this order given Mr. ..... without further delay.

118.

Etc. ..... We have been holding your last order given our traveler, several days, expecting to have a liberal payment on account, which

would warrant us in making shipment, and are quite disappointed to receive your letter, without any remittance.

Please make an effort to do something for us at this time, as your April collections are, no doubt, now in hand. Of course, you will readily understand we are not seeking interest, as it is necessary to turn our capital frequently, in order to make an advantageous showing for the year. It not infrequently occurs that merchants use their banks, who are anxious to make the interest, as that is their business, and might suggest that you do the same, and in this manner improve matters all around, etc.

119.

Etc. ..... When this order is filled, it will amount to about $..... In view of the high esteem in which Mr. ..... holds you, and the confidence he has in you, we have hesitated to write and say that we believe it best for us both that we hold this order for a while, until you have paid the amount you are now owing, $....., all of which, with the exception of a dollar or two, is now past due.

In this connection we want to say, that we are disposed to extend you the fullest accommodation, consistent with business precedent, but believe it better to take these matters up frankly between ourselves when prudence for our mutual interests suggests that we should do so.

Hoping that it may not be inconvenient for you to make us an early remittance, we are,

120.

We are in receipt of a letter from Mr. ....., enclosing an order, the shipment of which is discretionary with ourselves. Of course, you will readily understand, in view of the past due condition of your present account, there is not very much encouragement to fill further orders. The amount you are owing us is not large—at the same time it is apparent that even a small account is causing you embarrassment at this time. There should be no reason for our having to write you a letter of this character, as we are led to believe that you employ ample capital in your business. Please let us dispose of this little matter and get your account in the "clear."

121.

Your remittance of the ..... inst., amounting to $....., has been duly passed to your credit, leaving a balance due of $.....

While we would have appreciated your remittance being a little larger, we are approving your order now with us, and it will be rushed forward at once, and hope it will reach you with little delay.

Please let us hear from you ..... with further remittance, as promised, etc.

122.

We have your favor of the ..... inst., and it has had our careful attention. We regret, exceedingly, that anything we might have written, should have created a desire, on your part, to cancel this order. We felt, in taking up the mat-

ter on purely business lines, and being perfectly frank, that we would not be misunderstood. If you will send us your remittance and permit this order to stand (and we feel confident, upon second thought, that you will,) there is no reason why we should not continue doing business together.

We do not want this little incident to come up to mar the cordial relations which have existed between us. We do not want you to feel that there is any occasion for it. We trust the matter will have your further favorable consideration, and awaiting your reply, we are, with kindest regards,

123.

Replying to your favor of the ..... inst., are disappointed that you still find yourself unable to take up your past due account with us, which is now getting quite old, and would be pleased to have you give it your best attention, as you say you will, to the end that it will soon be well in hand. It is further to be regretted that the condition of your account, warrants you in cancelling the order which is now with us. This is an unfortunate phase of backward accounts, and hope it will not lose us more of your good business than is absolutely necessary, as in carrying you, and trying to please you, do not want it to work to our disadvantage, your orders possibly going elsewhere.

Hoping for an early improvement in conditions with you, and trusting to hear from you at your early convenience, we are, with kind regards,

124.

Replying to your letter of ....., we are approving, etc.

After receiving your letter and taking the matter up with our Mr. ....., he urges, as you do, that your tardiness is attributable to backward collections with you, caused by lateness of crops, and that in a week or ten days, you will receive your due accounts, and in turn remit us. Under these conditions, we are perfectly willing to grant you this accommodation, and awaiting your advice on the ..... inst., etc.

125.

Replying to your favor of the 24th inst., would say, after giving the matter careful consideration, we would prefer not to make shipment of your order. We regret this matter as much as you do, as we do not want to lose your account —at the same time it would be contrary to our judgment to make shipment in view of information which we previously mentioned, and which you concede as being correct.

We hope you will dispose of your property, as anticipated, and that it will enable you to clear up these outstanding balances against you. Our decision is to be especially regretted, owing to the lateness of the season; we still think you would be best served if you let us have remittance for $....., and let the goods go forward. We say this in all sincerity, because we know what it means to go into the open market at this time to purchase holiday goods. We would have written you sooner, in fact before we packed the goods, had we the least intimation of

reports which later came to us, and which were received with considerable surprise on our part. It is one of the unfortunate instances which will sometimes arise, where neither of us are to blame, and we are writing you with a view towards making the best of an unfortunate situation. Should we not hear from you by wire on Wednesday, will unpack the shipment and put it back in stock. ,

126.

Your favor of the 24th inst., just received, and I make a prompt reply for the reason that I do not want to cause you any further delay than is necessary in placing your order elsewhere. I have taken up the matter with our credit man, Mr. ....., and also with Mr. ....., and find them both opposed to shipping out any more goods to you under the circumstances.

If you understood the matter fully, and could look at it in the light in which they do from this end of the line, you would hardly blame them for coming to this decision, as they are unable to get satisfactory information from the various sources which they have consulted.

Of course, I would regret very much to lose your business, as you have been a good customer to me, as well as an old and true friend, and it pains me to think that our business relations should be severed. However, should this occur, allow me to assure you that I have for you, personally, nothing but the kindest feelings, and desire always to be classed as one of your friends.

I still think that it would be to your interest, under the circumstances, to make a personal

statement of your business affairs to the house and either remit or secure this shipment of goods, or at least a part of it. This would assure you a good holiday line, and at the same time would give the house and yourself a sufficient length of time to consider matters, and get together again. However, you understand your business best, and, of course, will act accordingly, but I certainly hope that matters will be so adjusted that we can continue our business, as well as our friendly relations.

Your friend,

127.

Your letter of ..... is duly received, read and noted with care. We have delayed our answer a day or two, considering it, and in reply will say that we have every confidence in your good intentions, and believe you would always do as you agree to, if able; but we have to consider these matters from a strictly business standpoint, and when we do, we cannot see how we would be justified in shipping you the order, until your past due indebtedness with us is cared for, particularly that portion, etc ..... If you can raise the money, with which to pay this, we will let the shipment go forward when you want it, and allow you to remit us balance of the older account, $....., later on. We believe if you can get your relative, whom you mention, to help you along a little further, you will be able to make a success of your venture. This idea is suggested by the fact that he is already interested, and the further fact, that it would seem to us you need a little more capital in your business to run it right.

Hoping that you will be able to arrange your account as above suggested, etc.

128.

We are in receipt of your letter of the ..... inst., and have carefully read and noted its contents. Notwithstanding the explanation which you make with reference to why you have not, and why you cannot now pay your due account with us, we think that you should make some arrangement to borrow the money to do so, or else, interest more capital in your business, and from authorities consulted, we conclude that you should have more capital.

As merchants, we cannot extend the credit which you seem to want. We do not mean by this that we never give extensions, for we frequently do, but it is usually with some definite understanding as to when payment will be made. You began trading with us last ....., about three months ago, and have not, as yet, paid us anything on your account. After receiving your letter to-day, we concluded to send you the following night message: "Must have payment or secured note for amount due before filling order," which we now confirm.

A statement was sent you on the first of the month, showing amount due at that time to be $....., and your total indebtedness as $..... If you cannot raise the money with which to pay us, you should certainly be able to close the account by secured note, payable, say, the ..... of ..... That would give you ample time to dispose of your holiday goods and collect the money for them. Please let us hear from you.

129.

We have your letter, etc. If you will pardon us for the remark, we believe your entire difficulty rests with the extension of too much credit to your trade, as we do not recall a similar instance of any one of our customers, who has a stock of $..... with accounts charged on his books amounting to $..... It is out of proportion, entirely, and must, eventually, lead to just such a predicament, as that in which you now find yourself.

We hope that you will make your collections early, as you anticipate, and believe when you get upon the cash basis you now contemplate, you will find things running more smoothly, although your sales might not amount to so much. You will at least have the goods or the money, and either is preferable to so large an amount of delinquent book accounts.

We believe that our past relations will warrant us in saying that we have your interests at heart, want to see you succeed, and are willing to extend you quite unusual accommodations, but at this time must ask that you get in some of your collections, and reduce your account with us before making further shipments, etc.

130.

We are in receipt of your letter of the ..... inst., enclosing check on your local bank for $....., which amount has been placed to your credit, leaving a balance due of $.....

We note what you say with reference to needing the goods you ordered, and about which we have recently been corresponding with you, but

before making shipment we must ask you to comply with our request and pay the amount now due us. In making this request we do not consider that we are asking any more than we are entitled to, under the circumstances. It is a business proposition, pure and simple, and we know if you were in our place, you would take the same view of it that we do. We have always done what we think to be right in every instance, with each of our customers, and believe we are right in this case. When we receive this balance we will get the goods out, and forward without further delay, as indicated in our previous letter, etc.

131.

We have your order of the ....., but inasmuch as we were compelled to hand your previous accounts to our collectors, would prefer hearing from you with advice, which will assure us, that such purchases as you make from now on, will receive better attention, when they mature. The order which you send us, of course, amounts to little, but it is a beginning. Please let us hear from you along the lines suggested, etc.

132.

..... etc., but in view of the fact that our past few transactions have occasioned a great deal of attention on our part to secure settlement, would prefer that you let us have remittance covering the order, less our cash discount, of, etc.

133.

..... etc., would say that while we believe there should be no good reason for your not

having a line on regular terms to this extent, we have twice had some little difficulty in securing attention to your account when it matured, and, naturally, under the circumstances, hesitate in reopening it.

Please let us hear from you, whether you have any past due indebtedness at this time, and to what extent; also the names of some parties with whom you have been, and are, dealing, and it may be that when we hear from you, it will be satisfactory to forward the shipment, although at the present time, in view of our past experience, we would hardly feel warranted in so doing.

134.

We have your order of the ....., which amounts to $..... From our recent experience with your account, we regret that we cannot fill this order on our regular terms; that is, we could fill it with a definite understanding, but you would make your own terms in paying, and you seem to require a little more time than we can consistently grant. In fact, we were compelled to go to the expense of collecting your last account through our attorneys, and had to pay them their fee, even though you remitted us direct, etc., requesting remittance.

135.

We beg to thank you for your order, through our Mr. ....., which will amount to $....., and while we do not at all question your ability to take care of a purchase of this amount, our previous experience with you was not entirely satisfactory, probably to either of us; and with-

out any assurance that this invoice will be taken care of when it matures, naturally hesitate to make the shipment. We are holding the matter in abeyance, and desire to hear from you with such information, as will enable us to make shipment, and have no doubt but that you will so write us, as we presume your past experience was rather one of temporary circumstance. If you prefer, however, it would expedite matters to let us have remittance, less our usual cash discount of .....%, and we will immediately forward the order.

136.

..... etc. We do not desire to be understood as declining this order, for we believe we are going to ship it when we hear from you, as we understand that you have made considerable improvement in your affairs, and we are gratified to learn this.

We had a little misunderstanding, however, last year, and while we will not say it was entirely your fault, that you could not meet your account promptly at that time, we believe it better to take up the matter frankly with you, and coming to a definite understanding, matters will progress more satisfactorily all around. We want to be assured that you will be in a position to take care of this account, approximately, at maturity, and have no doubt that you will give us satisfactory information along these lines.

Let us know the amount of stock you have on hand at this time, your other assets, and, roughly speaking, what you are owing, and if any of it is past due. We could seek this data through other channels, and have a request

made on you for a statement, without us appearing in the matter at all, but believe you will approve our action and meet us half way in reestablishing the cordial relations which once existed between us, consequently are encouraged to request this information from you rather frankly.

137.

Etc., ..., but before making shipment, would thank you to kindly let us have a brief statement of your affairs on enclosed blank, and references from some of your present creditors, which may enable us to approve the order on our regular terms.

Our last transactions were not entirely satisfactory—in fact we had to hand your account to our collectors at maturity; at which time we also learned of other claims against you. We have no doubt, that in the prosperous times which have since come to your state, you have made improvement, and it is along these lines that we desire to hear from you. There is no reason why we should not sell you, if the account will be taken care of approximately at maturity. It always produces hesitancy in approving orders, however, when excessive urging is necessary, to have an account taken care of when it falls due.

Should you, in preference to letting us have this statement, desire to remit covering the order, kindly deduct 2% discount, etc.,

138.

We have your letter of the ..... inst., but upon further consideration would prefer not

shipping the order now in the house, on open terms. If your last transaction, had been the only one that had caused us unnecessary trouble, we should not, perhaps, hesitate. We know you are perfectly good for this amount—in fact, many times $....., but our files are full of correspondence with you on nearly every account that you have bought of us, and, under these circumstances, we cannot approve business requiring so much trouble to get settlement. We might add, that a number of drafts we drew on you through....., on which we had to pay exchange, have all been returned, and our money paid for nothing. We, therefore, suggest that you let us have remittance covering the order, less our discount of 2%, and awaiting your further reply, we are,

139.

We are advised by our Mr. ..... that you contemplate making a purchase of him, and in view of our recent transactions, and the tardiness with which your previous account was remitted, we would like to hear from you with a statement of your affairs, as to your present condition. Recently, we learned that there were some accounts outstanding against you, and while we have not undertaken their verification at this time, we would appreciate advice as to whether there are any past due accounts now pressing you. We believe in frankness in these matters, and have no doubt that our inquiry will appear reasonable to you.

140.

We thank you for your order, etc., which will amount to about $.....

While our relations up to this point have been entirely satisfactory, we understand there have been some recent changes in your affairs, and, under the circumstances, would appreciate hearing from you with a financial statement, and such other information as may enable us to determine upon the advisability of making shipment.

Should you prefer, kindly favor us with remittance, less our cash discount of 2%, upon receipt of which the shipment will go forward immediately, etc.

141.

We are duly in receipt of your two orders, which have been approved and will go forward promptly. In this connection, we might add that your previous account with us was not entirely satisfactory, but we do know, there should be no occasion for your not meeting this account at maturity. It appears that you have ample capital, and believing that it has been more neglect, than inability on your part, we are, as we said, approving these orders, and hope this letter will put matters on a little firmer basis with us; that it will re-establish your account on mutually pleasant foundations. We would suggest that you watch your account a little more closely in the future, and not let our drafts on you be returned, in case we should find it necessary to draw. We hope, however, that you will find it convenient to discount your bills as you now anticipate.

We are writing frankly, as we are your friends and want to be regarded as such, and certainly don't want anybody else to get your business if we can help it.

142.

We have your order of recent date, and it had been approved and was in our shipping room, when we received later information to the effect that quite recently some of your accounts had been forwarded for collection, and settled with more or less delay, in view of which we concluded we had better hear from you further, before opening this account.

We do not say that we are declining the order, but of course, the experience of others in such matters is a considerable guide for the new creditor. We trust our letter will be accepted in the proper spirit, and that you will feel we are entitled to the information we are seeking, etc., suggesting remittance.

143.

Replying to your letter of ..... we confirm our telegram of to-day "Your letter ..... Have bank send guaranty. Order packed and ready. Otherwise prefer your discounting. Answer," would say that we do not feel that we have intentionally done you an injustice, as mentioned in your letter. As soon as we learned of accounts against you, which were unprotected, we advised you—in fact, your order is all packed and in our shipping room, and in our way, and had we thought there was any likelihood of not making shipment, we certainly would not have packed the goods. We know you will hardly blame us for having a hesitancy in making this shipment, when you admit there are unpaid claims against you, and while we have no doubt that you may think you are perfectly right, as to the account in dispute, at the same time, mention is made

of more than one claim. We suggested that you have your bank guarantee this account, and if they do so it will be a happy disposition of the matter all around for both of us; or if you prefer, you might borrow the money, and take advantage of .....%, which would more than repay you for the interest item involved.

We are aware that it is very late in the season, and feel that with stocks in their present depleted condition, it will be almost an impossibility for you to replace this order with any degree of satisfaction. If you can suggest any plan, agreeable to both of us, by which this can be disposed of, other than the two suggestions we make, please do so, as we don't want to disappoint you—at the same time we must exercise business prudence and be guided, to some extent, by the experience of others. We received a letter from our Mr. ....., urging us to make shipment, and expressing every confidence that you would pay the account when due, and regret that we cannot meet his views in the matter.

Hoping to hear from you as promptly as possible, so that we may put the goods back in stock and use in other orders, if none of our suggestions meet with your approval, we are, with kind regards,

144.

..... etc., and while we would be pleased to make this concession to you, regret our inability to do so, for two reasons. We have always allowed actual expenses of coming to market, but, of course, you will realize we get a great deal of business by mail, and on these we never have credited expense. To do so in this instance,

would be establishing a precedent, which would not be fair to our other trade to whom we do not grant this concession.

In the second place, there is an understanding between jobbers, that the expense item must not be allowed where the buyer is not put to actual expenditure in the matter of his purchase.

Rest assured, did we do this with anyone, would be pleased to accord you the same treatment, but for reasons previously explained, you will, of course, understand our position in the matter. We will make shipment on ....., should we not hear from you in the meantime.

145.

We have your favor of the ....., and in accordance therewith have cancelled your order, We regret, very much, that our explanation did not meet with your approval—at the same time while we dislike to lose business, we could not establish a precedent of allowing ..... It would cause us untold difficulties if the matter became known to those with whom we did not make this concession; nor would it be fair to them to make an exception. The incident is closed, however, and while we regret to have lost your business through maintaining an impartial attitude with our trade, we feel it has been no fault of ours. We hope, later on, you may realize the justice of our position and may yet favor us with some of your business. We shall be pleased to serve you at any time, and with our kind regards, etc.

146.

We have your favor of the ..... inst., and believe you are borrowing trouble away ahead

of time. We have not heard any unfavorable comments on the prospective season in your locality, and believe you will be agreeably disappointed. We could not, however, make arrangements to take back any goods which you might have unsold at the close of the season. We would not know where we stood, as such goods would come back at a time, when we would have to carry them a whole year. The matter of consigning goods comes up frequently, and in each instance we have declined to entertain the proposition, as it would mean a great many goods coming back, and we would be carrying in the aggregate, the disappointments of all our customers. Rest assured if we did this with anyone, we would not hesitate to extend like treatment to you.

Hoping that business will go along entirely different from your present anticipations, and with our kind regards, we remain,

147.

Our Mr. ..... has referred your letter of the ..... inst., to me and I regret, very much, that I have been the cause of estranging you from us. The position of credit man is at best one of uncertainty. On the one hand, he must make no losses for his house, and whatever decisions he makes, are based upon information which comes through other channels; rarely through personal contact with his trade.

As is frequently the case, this information passes through many hands, before it reaches him, and occasionally an injustice is done the one, on whom the report is made. These mistakes are to be regretted, and yet are very dif-

ficult to overcome. In your case, as subsequent reports show very plainly, your order should have been approved without question. Mistakes will happen with the best of us, and I hope you will view the matter generously and not hold us to account for having done what you, no doubt, would have done, were our positions reversed.

I wrote Mr. ..... about this, and he informs me that he had quite a talk with you, a short time ago, and expressed the hope that you might reconsider matters after his explanation, and I join him in this respect, etc.

(Signed personally.)

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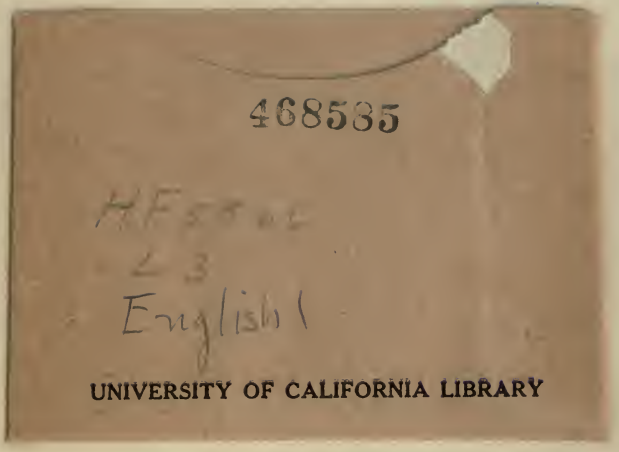
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